**From:** Ruchi Bhatt [mailto:Ruchi.Bhatt@aigroup.com.au]
**Sent:** Saturday, 7 April 2018 8:54 PM
**To:** AMOD
**Cc:** Chambers - Kovacic DP; David Scaife; 'jknight@syd.asu.asn.au'
**Subject:** AM2014/190 District Allowances - list of authorities

Dear Member Support Team,

We refer to the above matter, which is listed for hearing before a Full Bench of the Commission on 10 – 14 April 2018.

Please find attached a list of authorities referenced by Ai Group in its written submissions dated 4 April 2018. Each decision is either attached to the list or a hyperlink has been provided.

We respectfully request that this correspondence, the authorities list and its attachments be uploaded to the Commission's website for the benefit of interested parties. Ai Group will provide hard copies of the authorities to the Full Bench during the hearing.

Kind regards,

**Ruchi Bhatt**
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**4 Yearly Review of Modern Awards**

**AM2014/190 District Allowances**

*Ai Group Authorities*

| | |
|---|---|
| **1** | *Engineering Awards of 1923* (1923) 3 WAIG 98 |
| **2** | *Engineering Awards of 1923* (1923) 3 WAIG 111 |
| **3** | *AWU v Minister for Works and others* (1958) 38 WAIG 684 |
| **4** | *District and Location Allowances* 60 WAIG 1141 |
| **5** | *District Allowance Clauses – Northern Territory Awards* (Print F4832) |
| **6** | *Award Modernisation* [2008] AIRCFB 717 |
| **7** | *Award Modernisation* [2008] AIRCFB 1000 |
| **8** | *Award Modernisation* [2009] AIRCFB 100 |
| **9** | *4 Yearly Review of Modern Awards: Preliminary Jurisdictional Issues* [2014] FWCFB 1788 |
| **10** | *4 yearly review of modern awards – transitional provisions* [2014] FWFB 7767 |
| **11** | *4 yearly review of modern awards* [2014] FWCFB 9412 |
| **12** | *4 yearly review of modern awards – transitional provisions* [2014] FWCFB 9429 |
| **13** | *4 yearly review of modern awards – transitional provisions* [2015] FWCFB 644 |
| **14** | *Re Security Services Industry Award 2010* [2015] FWCFB 620 |
| **15** | *4 yearly review of modern awards – transitional provisions* [2015] FWCFB 2575 |
| **16** | *4 yearly review of modern awards – transitional provisions* [2015] FWCFB 2835 |
| **17** | *Australian Chamber of Commerce of Industry v Australian Council of Trade Unions* [2015] FCAFC 131 |
| **18** | *4 yearly review of modern awards – Penalty Rates* [2017] FWCFB 1001 |
| **19** | *Annual Wage Review 2016-17* [2017] FWCFB 3500 |
| **20** | *Family Friendly Work Arrangements* [2018] FWCFB 1692 |

# Awards of Arbitration Court for the Quarter ending 30th September, 1923.

## GOVERNMENT WORKERS' AWARD.

17th September, 1923.

Before Mr. Justice Draper (President), and Messrs. A. J. McNeil and W. Somerville (Members).

Mr. F. H. Barker appeared for the Unions.

Mr. C. A. Munt appeared for the Hon. Ministers of the Departments in which the various workers were employed and also for the Fremantle Harbour Trust.

(Speaking to Minutes.)

The PRESIDENT (Mr. Justice Draper): Before proceeding with the discussion on the minutes, I propose to make some observations on the basic wage and standard hours. Mr. Barker has put in evidence the Commission on the cost of living for the Commonwealth. Two Presidents of the Commonwealth Arbitration Court, Mr. Justice Higgins in the case of the Amalgamated Society of Engineers v. the Adelaide Steamship Company, and Mr. Justice Powers in the case of the Federated Gas Employees against the Metropolitan Gas Company, have refused to adopt the finding of the Commission as a basic wage for industrial arbitration. These cases are reported in Volume 15 of the Commonwealth Arbitration Reports, 1921.

It is unnecessary for me to repeat the reasons given by the learned Presidents for their decisions, and I will merely point out that the Commission fixed a wage for married workers having a wife and three dependent children without any consideration as to whether the wage was or could be suitable for adoption as a basic wage for the unskilled worker by an Industrial Arbitration Court in Western Australia.

Under the State Industrial Arbitration Act of 1912, Section 84, Subsection (2), the minimum wage must be sufficient to enable the average worker (not the married worker) to live in reasonable comfort having regard to any domestic obligations to which the average worker is ordinarily subject. It is obvious that the domestic obligations of an unmarried worker are considerably less than those of a married worker. Under the Act it is the average worker who must be taken as the standard.

To determine the minimum wage, under the Act, it is essential to know the average family, including the number of dependent children, of all workers. Assuming that every worker has a wife, which is not the case, the average number of dependent children of all workers is certainly less than three. Only children up to the age of fourteen are regarded as dependent. The census figures for the last five decades are the best evidence available on the subject. For the decade ending 1881 the average number of dependent children, that is, children under the age of fourteen of all householders in the Commonwealth was 2.45. For that ending 1891, 2.24; for that ending 1901, 2.12; for that ending 1911, 1.75; and for that ending 1921, 1.35. In Western Australia for the period ending 1921 the average was 1.34.

These figures show a gradual decline in the first decade from 1881 to 1891 of .21, in the second decade of .12, in the third of .37, and in the fourth of .40. The number of dependents of the average worker must bear some analogy to these figures, and it is certainly considerably less than three for Western Australia to-day. It necessarily follows that the findings of the Commission cannot be taken as the basis of an award under the West Australian Act.

We were also asked to review the basic wage founded upon the Harvester judgment, which has been regarded by Industrial Courts in Australia as fixing a basic wage of seven shillings per day for a week of forty-eight hours in Melbourne. The wage of forty-two shillings per week, thereby fixed, was made up as follows:—(1) Rent, 7s.; (2) food and groceries, which included groceries, bread, milk, meat, vegetables, and fruit, £1 5s. 5d.; (3) other expenses, 9s. 7d.; total, £2 2s. The Unions contend that the amount allowed for rent and the amount allowed for other expenses were too small and, further, that the increases of expense on these items are not accurately represented in the figures given from time to time by the Commonwealth Statistician. I am satisfied that these figures reflect, at the present time, the increases in the cost of living. This, however, does not touch the question of the correctness of the original items in the Harvester Standard. I have no doubt that on the evidence given in that case the decision was correct at the time. Subsequent inquiries have since been made.

In considering the claim of the Unions, as regards rent, I have endeavoured to separate from the figures of the Commonwealth Statistician the allowance for rent with the view of inserting, in lieu of such allowance, the amount of rent paid by the basic workers in the metropolitan area as proved by the census figures of 1921 and the subsequent information obtained by the State Statistician's office. If I had been able to do this I should have obtained a valuable guide to the amount of rents paid in Perth to-day.

The Court has endeavoured to inform itself as provided by Section 64 of the Act, and has consulted the Commonwealth Statistician as to whether this can be done in such a manner as to produce an accurate result. He has replied that it cannot be done. I have tested the matter in several ways, and I agree with him that the figures published by the Commonwealth Statistician cannot be used to determine the proportion of the wage allocated to various items of expenditure. If any item of expenditure is reviewed the other items must be reviewed also. The Commonwealth Statistician's figures must be used as a whole.

Apart from the Commonwealth figures, the evidence before us as to expenditure for the item No. 2, Food and groceries, and for item No. 3, Other expenditure, is of little value. The household budgets put in were unreliable and useless. This seems to be the common experience of industrial tribunals. The State Statistician's figures on the cost of food and groceries and other expenditure do not differ materially from those of the Commonwealth Statistician, where a comparison can be made.

The principal grievance of the Unions is that the rent allowed by the Harvester judgment was too low. Subsequent inquiries made by the Commonwealth Statistician indicate that it was so, and that it should have been 8s. 11d. in Melbourne in 1907, as against 7s. a week in the Harvester judgment. I am satisfied that the increase since 1907 reflected in the Commonwealth Statistician's figures can be regarded as practically correct, and no better evidence is obtainable. If, therefore, 1s. 11d. per week were added to the Harvester judgment and also the subsequent increase in accordance with the figures of the Commonwealth Statistician, the grievance of the Unions as regards rent would be removed.

Dealing with the items, Nos. 2 and 3, food and groceries, £1 5s. 5d., and other expenses, 9s. 7d., in the Harvester judgment, it seems probable from subsequent inquiries that item No. 2 was too high and item No. 3 too low. The Harvester judgment was based on a family of five, and if an adjustment were made for a family of four, I doubt whether any material alteration in the

standard weekly wage determined by the Harvester judgment would be required.

I have made these observations to enable the parties to understand why I intend to follow, as far as possible, the practice at present adopted by the Federal Court in fixing the basic wage. The West Australian Court during the last two years has generally taken the average index figure for food and groceries and house rent for the year preceding the dates of its awards. The figure for the 12 months ending 30th June last for Perth is 1516, which indicates a daily wage of 12s. 2d. The June quarter is generally the apex of the cost of living, and in normal conditions this cost of living should fall. I cannot, however, disregard the abnormal conditions which have resulted in the increase of metropolitan rents, and I do not see any prospect of a fall in the rents for some considerable time. I have therefore decided to take the index figure for the quarter ending 30th June last as my guide, viz., 1595, which indicates a wage of 12s. 10d. per day. In order to meet an allowance of 1s. 11d. per week for rent, and to provide a margin for error, I intend to follow the Federal practice and to add 3s. per week, that is 6d. per day. This gives a minimum wage in Perth of 13s. 4d. per day, and this wage I have decided to take as the basis of these awards.

The next point for consideration is the question of the number of hours to be worked. The Unions are, at present, working 44 hours a week, and they claim that these hours should continue. The employers claim that 48 hours should constitute a week's work. The verbal evidence given by the witnesses in the box is not conclusive. Mr. McCabe, the Acting District Engineer in the Northam district for the Goldfields Water Supply, was called. He was not shaken on cross-examination, and has had considerable experience. He states that the gang laying the 30in. main average 12 pipes in eight hours, *i.e.*, 12 for the first five days in the week, and 6 on Saturday morning, or 66 pipes in 44 hours. In his opinion if 48 hours were worked, the gang would lay 72 pipes a week. There is no suggestion of over-fatigue, and his conclusion is probably correct. Mr. Carlin, the Chief Engineer for Harbours and Rivers, was the next witness. His evidence indicates that some extra cost is incurred per unit of work by working 44 instead of 48 hours. What the actual extra cost is cannot be ascertained from his evidence. Mr. Lewis, the Assistant Machinery Superintendent of the Goldfields Water Supply, states that the result of working 44 hours instead of 48 hours in the pumping scheme is the payment of overtime for second engineers, firemen, and greasers. The actual amount of overtime is disputed by Mr. Barker's witnesses, but I am satisfied that to perform the work required some overtime will result from working 44 hours on a pumping scheme. Mr. Hickson, who is the Chief Mechanical Engineer of the Water Supply Department in the Metropolitan Area, says that the cost of pumping will be increased under the 44 hours system by overtime pay of 4 hours in each shift. This is self-evident in the work of continuous pumping unless a special arrangement be made. There is, as I have previously observed, no evidence of over-fatigue. Mr. Golding, who is in charge of the Government Refrigerating Works, gives similar evidence as regards the shift work for refrigerating. Mr. Williamson, the Electrical Engineer in the Public Works Department, says that if a man worked honestly for 8 hours he would produce 12 units, and that in 44 hours he would only produce 11.

Mr. Barker has not attempted to prove by the evidence of witnesses in the box that the same amount of work can, speaking generally, be done in 44 hours as in 48 hours, and if I had to decide the question apart from the documentary evidence, to which I am about to refer, I should decide that, as a general rule, the same amount of work is not done in a week of 44 hours as in a week of 48 hours. A large number of exhibits were put in by Mr. Barker to show the result of inquiries on the question of hours all over the world, and he contended that these exhibits proved that, during the last decade or so, the number of working hours had been reduced from 60 or 70 to 48 or less hours per week, and that this had not resulted in a proportionate decrease in the output, but, in some cases, had shown the same or an increased output. Consequently he argued that to work 44 hours instead of 48 hours should accomplish a similar result. I accept his argument as meaning that this result should follow until the optimum number of hours be reached. That is, the number of hours which, having regard to necessary rest and recreation to overcome fatigue, will result in the maximum output. Although a very large number of exhibits have been put in by Mr. Barker, many of these are repetitions or of little value, and it is only necessary to refer to a few.

I will deal first with the number of hours per week which were generally worked in the countries mentioned in the evidence. Exhibit B is the report of a conference between certain employers and workers in the engineering and shipbuilding trades held in London on the 24th July, 1919. Mr. Brownlee was one of the representatives of the workers. At page 6 he states, "The right to 48 hours a week is an established fact in the engineering industry throughout the continent of Europe." And at page 7 he says "Right through the United States it is an established and a recognised practice." As these are statements made at a meeting they do not, by themselves, carry much weight, but they are also confirmed by other evidence put in before this court. Exhibit Q1 is an extract from the United States Department of Labour Bureau of Labour Statistics, Volume 16, No. 6. This shows that, from the returns of the 1919 census of the United States, out of the 9,096,372 workers recorded therein, 32.6 per cent. were working 48 hours per week, 16 per cent. were working less than 48 hours per week, and the balance, 51.4 per cent., were working more than 48 hours per week. In other words, 84 per cent. were working 48 hours or more per week. A4 is an extract from the International Labour Review, Vol. 7, No. 1, January, 1923, pages 148 to 149, and deals with the hours of labour of workers of European origin in South Africa, and is taken from the Union of South African Statistics (1895-1922). It discloses that, generally, in 1922 the standard hours were 48 per week. D3 is a quotation from the Statistics of the General Federation of German Trades Unions dated the 1st of January, 1922, and shows that out of 924,437 workers, 457,635 worked 48 hours or more per week, 11,917 worked 47½ hours per week, 23,024 worked 47 hours per week, 229,753 worked 46½ hours per week, 165,400 worked 46 hours per week, and 42,708 worked under 46 hours per week. In other words less than five per cent. of the workers in Germany in 1921 were working less than 46 hours per week. C4 is an extract from the report of the International Labour Conference held at Geneva (Fourth Session). This discloses that in Ecuador, Lithuania, Panama, Peru, Portugal, Uruguay, the Argentine, Poland, and the Serbian Croat and Slovene State the number of hours generally worked was 48 per week. Exhibit R3, taken from the Bureau of Labour Statistics, Vol. IX., page 246, shows that 48 hours per week prevails in Spain.

I can make no safe deduction from Exhibit S3, which deals with the hours of work in Canada. The variation between the maximum 84 hours and the minimum 44 is extraordinary, and there are other figures which are equally incomprehensible. Perhaps this is due to the difference between the winter and summer seasons. This extract is of no assistance.

Exhibit A1 taken from Vol. V., No. 18, of the Industrial and Labour Information International Labour Office, page 33, discloses that in France there is an Eight-Hour Day Act. Sweden, as is shown by Z3, to which I

refer subsequently, also has an Eight-Hour Day Act. The information as to hours of work in England is difficult to analyse. Exhibit 16, taken from Bulletin 302, issued by the Bureau of Labour Statistics of the United States of America, and Exhibit 20, extracted from the Labour *Gazettes* of January, 1921, to March, 1923, published by the Ministry of Labour in England, put in by Mr. Munt, contain a great deal of information which shows that during the last two years the hours of work have been increased in some industries and reduced in others. I think from the figures that the present tendency is to work from 46 hours to 48 hours a week in England or to increase the hours of work up to those hours. Exhibit 4, which contains information taken from the Australian Labour Branch Report, No. 12, put in by Mr. Munt, shows that in 1921 there was an average general tendency in Australia to work less than 48 hours per week. The number of such hours being slightly in excess of 46. Mr. Munt also put in Exhibit 15, a return showing the weekly working hours of Government, municipal, and semi-governmental workers in Australia, which shows that the general tendency in March, 1923, in Australia, was to work 48 hours per week. These exhibits to which I have specially referred, indicate beyond doubt that generally in the countries as to which evidence has been given, 48 hours per week are now regarded as the proper number of hours of work, and, that where there has been a tendency to work less than 48 hours there is now a tendency to increase the number of hours up to 48. I am not referring, of course, to special circumstances.

Bearing these facts in mind, I will now deal with Mr. Barker's contention that to work 44 hours instead of 48 hours per week should give the same or an increased output. Referring to his Exhibit D1, which is taken from an Enquiry into the Health of Munition Workers, it is clear that where excessive hours have been worked, such as 60 or 70 hours per week, an increased output can be obtained by working shorter hours varying from 45 to 54. Some of these figures apply to women and boys, but I am satisfied as regards all workers that where the number of hours worked results in excessive fatigue, an increased or equal output can be obtained by reducing the hours of work to some extent. The question is, what reduction is necessary to achieve this result. There is some evidence, in this case, which indicates what the optimum number of hours worked per week is approximately.

Mr. Barker's Exhibits Z3 and F4 are some guide. Exhibit F4 is an extract from a Report of an Enquiry into the conditions of Employment of Women Workers in the Clothing Trade. It discloses that where hours were reduced at one big mill from 55½ to 45 per week, there was a reduction of output at first of 10 per cent., and that after a few weeks this was reduced to 5 per cent. Further, that when Rowntree & Co. reduced the standard hours from 53 to 48, the output was maintained. These are isolated instances, but, for what they are worth, the first case indicates that the reduction to 45 hours was too great to maintain the output, and, in the same way, the reduction to 48 hours indicates that the optimum was approximately 48.

Exhibit Z3 is an extract from the Industrial and Labour Information in the National Labour Office, Vol. IV., No. 20, November, 1922. This relates to an Eight-Hour Day Act passed in Sweden, and deals, at page 23, with an inquiry into the effect of the eight-hour day. It covers work performed at the Munition Factory in the period 1900-1921, see page 25. The work consisted of the manufacture of guns of the same type, with the same machinery, and by a fairly homogenous staff. The important period covered is 1908-21. It seems to me to be a very fair test. The figures for 1919-1921, when the 8-hour day was in force, show that the output per hour increased steadily, but it is necessary to consider the hours worked prior to 1919. In 1918 the working week was 53.5 hours per week. From 1908-17, inclusive, the working week was 56.5, or three hours longer. In 1919-1921, when the hours were 48 per week, the output as compared with 1918, when 53.5 hours per week were worked, was 8 per cent. higher, and as compared with 1908-17, inclusive, when 56.5 hours were worked, was 29 per cent. higher. This indicates that 48 hours is not very far from the optimum. 56.5 was clearly too long, 53.5 was still too long, but much nearer the optimum, and 48 seems about correct. The last point to consider is the claim made by the Union that in any case they are entitled to retain their present hours in order that they may have more opportunities for recreation and the social amenities of life. Although I can well understand and sympathise with their desire, I do not feel justified in acceding to their request at the present time.

The community as a whole is living in times of stress, not of prosperity. The condition of industry is far from stable. The position of a Government employee does not differ from other employees, and the number of hours worked by Government employees has the same effect on the community as the number of hours worked by other employees. Unless the approximate optimum of hours be worked, the cost of living is increased, to the disadvantage of the community including all workers, and this at the present time can only restrict the volume of industry and cause unemployment as a natural consequence. Forty-eight hours appears, from the evidence, to be recognised throughout the world as a fair week's work, and 48 hours, so far as the evidence in this case discloses, is the approximate optimum.

It is not suggested that workers generally have suffered from over fatigue when working 48 hours, and after considering all that evidence, I have decided to fix 48 hours as the number of hours to be worked per week in the cases which are now under the consideration of the Court.

Mr. McNEIL: It is not necessary for me to make any remarks about hours because I agree with what His Honour has said, but I would like to read my remarks about the minimum wage:—

The minimum wage now being paid is 14s. 4d. per day for 5½ days per week, equal to a full time wage of £3 18s. 10d. per week. The amount now awarded in the claims before the Court is 13s. 4d. per day for a six day week, equal to £4 a week, which His Honour says he has fixed on the last quarter's figures available, viz., June quarter 1923, 1595, which, applied to the Harvester judgment of 7s. per day, gives 12s. 9d. a day. To this His Honour adds 6d. a day following the Federal Court's later decesions, making 13s. 3d. a day, with another 1d. per day to provide for uncertainty in rents.

With this decision as applied to June quarter's figures I agree, but I cannot agree with the principle of taking a peak quarter such as June (1595) and on that fixing a year's wages ahead. I would be bound to agree with it if quarterly adjustment clause were inserted as is done by the Federal Court and as is included in some agreements throughout Australia.

Taking the index numbers for the four quarters ending June, 1923, we have quarter ending September 1922—1517, December, 1922—1468, March, 1923—1483, and June, 1923—1595, making a total of 6063, an average for four quarters of 1516, equal to nearly 12s. 2d. per day, to which I would, following the Federal Court, add 6d. per day, making 12s. 8d. per day or £3 16s. a week, which I consider is the wage which should obtain at present, if a yearly wage *has* to be declared, and I understand it is not competent for this Court to insert an adjustment clause under the Act.

This decision is of course arrived at by applying the Commonwealth Statistician's tables of variations in the combined cost of food, groceries, and housing (commonly called Knibbs' figures) to the basis of the Har-

vester judgment by Mr. Justice Higgins of 7s. per day in 1907.

There are therefore two factors involved, (1) Knibbs' figures and (2) Harvester judgment. Knibbs' figures have been disputed in this case because they do not take into account clothing and miscellaneous items. Knibbs held that his 46 items and rent would reflect the increase and decrease in the cost of living including all items. During the war Australia struck an abnormal time when imported items of consumption rose greatly in cost and price although her own products of food remained fairly steady, at any rate compared to most other countries. The consequence was that for three or four years the increases shown by Knibbs were not as much as the increases shown in imported clothing and other items, and this was a point stressed in the Piddington Commission report.

That Commission recommended that the Federal Government should keep increase and decrease tables based on the commission's regime which included clothing and miscellaneous items. This has been done by the Statistician and worked back to November, 1914, which he took as his base equal to 1000 for six capital cities at that date—Perth being 1001. Taking the Harvester judgment and Knibbs' figures for November, 1914, for Perth 1152 and taking into account that these figures up to then had never been disputed, we get a wage for November, 1914, of 9s. 2½d.

Knibbs' figure under the commission's regime which was 1001 for Perth in November, 1914, became 1301 in November, 1922, and the 9s. 2½d. became 11s. 11d.

Under the ordinary method of applying Knibbs' figures to the Harvester judgment the wage would be 11s. 9d. in November, 1922. The difference is therefore 2d. per day.

Taking the same figures at later dates we have the wage for May under the commission's regime at 12s. 10d. and under the ordinary method for the June quarter 12s. 9d., so that it is evident the abnormal times have disappeared and Knibbs' figures *do* reflect the actual increases and decreases of the cost of living, while any possible variations are well covered by the 3s. a week allowed.

In dealing with the other factor—the Harvester judgment of 7s. in 1907 for the lowest grade adult worker, it must be remembered that the minimum wage has to be fixed for the average lowest grade adult worker and not for the average worker. The Piddington Commission did not purport to fix a wage for the lowest grade worker. Mr. Justice Higgins did purport to fix the minimum wage, the payment of which would gain exemption under the Excise Act with which he was dealing, and His Honour claims that under that award he raised the minimum wage 1s. to 1s. 6d. per day and raised the standard of living for the worker 20 or 25 per cent.

Various independent inquiries have been held in other States since 1907 to check this finding and have all proved that Mr. Justice Higgins' finding coupled with Knibbs' tables of variations is rather above than below the right figure, while he himself defended his finding as late as 1921. The 7s. per day, or £2 2s. per week, was attacked in detail in that, while the allowance for food was perhaps correct, the allowances for miscellaneous and rent were not sufficient.

In this connection it must be remembered that Mr. Justice Higgins provided for a family of three children, whereas the average family is under two, and also that he found that the wage of 6s. per day or 36s. per week did not allow enough for miscellaneous expenditure, but 7s. per day or 42s. a week did. The other inquiries mentioned found that while one item was too low the other was too high but that combined they were about right.

The chief item attacked was rent. It was pointed out that while Mr. Justice Higgins allowed 7s. per week rent, the actual rent as disclosed by Knibbs for a four-roomed house in Melbourne in 1907 was 8s. 11d. Mr. Higgins, in the engineers' case in 1921, defends his finding of 7s. per week when the 8s. 11d. was pointed out to him by saying the 8s. 11d. was for *all* four-roomed houses and in *all* situations and for people of *all* incomes. It cannot possibly apply to the worker in the lowest rank. Naturally the man earning the least money must expect to live in the lowest rent houses. I cannot conceive of any other suggestion, otherwise we must desert our custom of paying for skill and aptitude.

Similarly, the rent for Perth is for the average house. The rent for the labourer must be below the average. But it is interesting to note that even if we made the Harvester rent 8s. 11d. instead of 7s. and the week's wages £2 3s. 11d. instead of £2 2s. and apply Knibbs' figures of 1510, we only get a weekly wage of £3 16s. or 12s. 8d. per day.

It has been contended that the actual rents published by Commonwealth Statistician were not correct, but it has been ascertained that the rents now used by him are well up to those ascertained by the State Statistician, while it is interesting to note that the figures as to houses handed in by the State office show a percentage of 15.2 per cent. of wooden houses, whereas the census discloses 30 per cent. of wooden houses in the metropolitan area used in ascertaining rents, and, of course, wooden houses are cheaper than brick or stone.

I have perused the *household budgets* put in but cannot say that they assist much.

When we find that for a girl of 11, two pairs of best boots and three pairs of school boots are required per year, while another girl only wants two pairs, when one budget shows four ties are required for the husband while another requires only two, and another only one but at 7s. 6d., and another five ties, when one budget requires five tablecloths per year, when one budget requires one dozen handkerchiefs for one year for a husband and another only six, when one budget requires two pairs of double sheets per year, another one pair of double sheets per year, and another one pair of double sheets in two years, when one budget requires one overcoat in two years and another one overcoat in four years, when one budget for a boy of seven requires three suits, four pairs pants, two jerseys, three summer coats, and another a boy of 10 requires one suit, three pairs of pants, one jersey, two summer coats, and another of 10 years five suits, six pairs pants, two jerseys, and another aged 5 requires one suit, no pants, two jerseys, and no coats but three pairs of braces, when a girl of eight requires 10 dresses per year, when one budget spends £4 15s. and earns £4 1s., when one budget requires 12 serviettes per year and another makes them out of the best part of old tablecloths, when one woman requires two pairs shoes and another four, when one man requires one hat and another three, when one hat is wanted for a boy of 10½ and two for a boy of 7½, when one boy wants six handkerchiefs and another 12, when one boy wants two pairs boots and another four, when one woman wants one pair double blankets in six years and another wants them in two years, when one woman wants two best hats and four soft hats per year for boy of 9½, when one woman wants 15s. for renewals to crockery, another £1, and another £2, when one woman puts down £19 10s. for recreation, amusement, and library, when one husband's suits cost £9 13s. 8d. per year and another £3 13s., one is dumbfounded enough to give up the quest.

After hearing and reading the case put up by both sides and informing myself to the best of my ability, I am convinced: (1) That the Harvester basis is as nearly right as it is possible to get it; (2) That the rent of 7s. on that basis is correct as confirmed by Mr. Justice Higgins after due inquiry and debate in the Engineers' case, and is a finding of fact; (3) That various inquiries have only confirmed it as a base wage; (4) That the Piddington Commission does not upset it and was not a base wage commission; (5) That the Com-

monwealth Statistician's figures as to variations are reliable and that to-day they reflect the cost of living when applied to the Harvester wage; (6) That the system of the Piddington Commission as applied to the 1914 cost of living figures reflects the same cost of living to-day as the Harvester judgment with Knibbs' variations; (7) That 12s. 8d. is a fair basic wage today; (8) That the Government concerns with which we are dealing and the State generally are not in a financial position to be asked to pay more than a fair basic wage.

Mr. SOMERVILLE: Like His Honour, I prefer to make such comments as I desire to make on these awards now rather than wait for the delivery of the awards themselves.

It is probable that these minutes may show that the attention of the members of the Court has been required to compass a range of conditions beyond the ordinary man's capacity to grasp and keep a clear conception of each detail. The bearing of each detail upon the whole must be remembered, otherwise inconsistencies and anomalies are bound to occur. The applications included upwards of 200 separate trades and callings employed under extraordinarily varied conditions in places stretching from Wyndham to Albany, and from Perth to far Wiluna and Leonora. No Court in the Commonwealth has ever before been set such a task as this has been. The case was too big either for adequate presentation or assimilation, hence the number of questions which have been reserved for further discussion. Personally, I fervently hope I will not again be called upon to pass through the ordeal it has been. The awards will have a direct or indirect bearing upon the earnings and working conditions not merely of those in the Unions before us, but of practically every wage earner in Western Australia, either by affecting change or of preventing change in a downward direction which, without this award, would inevitably have followed. It will form the base, the datum peg, necessary for the successful result of numerous round table conferences and private arbitrations, which would not have the slightest chance of a successful issue if there were not this award to build upon.

On behalf of the Unions, Mr. Barker made an able effort to secure chiefly two things. A revision of the Harvester standard of living and to retain the existing hours of 44 per week. To continue to perpetuate a standard of living fixed 16 years since, is to deny the worker any participation in the advance which the community as a whole has made during that time. This is so even if the 1907 standard was correct. It is a denial of justice of the most serious character to continue the standard when, as can easily be shown, it was wrong in the very important item, rent. In my opinion a thorough revision of the 1907 standard is long overdue, but I desire on this occasion to direct attention particularly to the rent and housing problem. This community, in common with most of the civilised world, is faced with a serious shortage in housing, and had it not been for the large sums of money spent by the Federal and State Governments in soldiers' and workers' homes, the shortage would be much more pronounced. This shortage in the supply and consequent increase in price is of very great importance indeed to this Court, for obviously the wage awarded is the only source from which the increased rents can be paid.

I have for a long time urged the unsatisfactory character of the rent figures published by the Commonwealth Statistician: they are based upon the rent paid for all houses, from the seven and eight-roomed mansion the wage earner has no possible hope of occupying, to the three-roomed shack he should not be allowed to occupy. It is, I think, obvious that the increase of rent so collected for any given period may be a very different thing to the increase in the rent of the type of house the average worker is compelled by his earning capacity to seek. As a fact the rents of four-roomed houses in Perth increased between 1907 and June, 1923, by no less than 80 per cent., while during the same period the increase for all houses was only 64 per cent. Further, while the Commonwealth Statistician's lists show an increase for all houses between the year 1921 and the June quarter of 1923 of from 16s. 6d. to 17s. 7d., or 6 per cent., the actual average rent of four-roomed houses increased during the same period from 14s. 2d. to 17s. 3d., or 21 per cent. in two years. These figures are striking evidence indeed of how acute the rent problem for wage earners is becoming, particularly for the minimum wage earner.

Medical science and Trades Unions have together urged the necessity for better housing, with the result that the type of dwelling which a few years since was deemed quite good enough for the worker, is not now so recognised. Medical science has shown that overcrowded houses are a menace not only to those who occupy them, but also to the property owner, for a disease germ bred in cramped and overcrowded dwellings has no respect for wealth, and would as lief feed upon a millionaire as a pauper. Trades unionism has preached the right of the worker to a fuller share of the wealth his labour produces. The effects of this joint attack on existing conditions is a public sentiment in favour of better type of dwelling than was deemed quite good enough a short time since. The hideous suburban terrace of three or four rooms giving each house the smallest possible frontage and a back yard which is an abomination, is now looked upon with disfavour. But while this very desirable change has been taking place, the worker's wages have not increased proportionately, and he cannot afford to pay the rent which will make the building of decent housing accommodation a business proposition, with the result that private enterprise as a provider of this type of house has practically ceased to function.

Mr. Griffin, Director of Design and Construction for the Federal Capital, in his evidence before the Basic Wage Commission, said:—"Social workers, town planners and architects who have written on this subject for the last fifteen years are generally agreed that the housing problem is unsolvable under existing wage conditions. The wage will not permit it. The proper proportion of the family's total income cannot be spared for the amount of rent that is required to give an adequate return on the capital invested in building such a house as I think is the standard minimum." Such being the condition, if Perth is not to be fouled by much greater areas of overcrowded slums than she is at present, there are only two alternatives open. The State must enter upon a big building programme, and supply houses at less than cost, or wages must be so increased as to allow sufficient rent to make house building attractive. The first course would be in fact a direct subsidy from the public purse to industry; the second method is that which this Court was established to deal with. So far as the minimum wage in these minutes is a departure from what would have been arrived at by previously recognised methods, it is welcome as a recognition of the urgent necessity of revising the computation of rent, but it falls a good deal short of what is required.

Reverting now to the Commonwealth Statistician's index numbers for rent, a good deal could be said about the method of collection and other aspects, but at present I am chiefly concerned with the use made of them in fixing wages. I desire to make it quite clear that the error with which I will deal directly is not in the index numbers themselves. I am accepting them as accurate for their proper purpose, which is a measure of the change in value. The error arises and has arisen in the past from applying the index figures as a measure of change to a base which was erroneous. The error I am at present concerned with in the base, was that a rent was allowed lower by 1s. 11d. for four-roomed houses than

four-roomed houses could at that time be obtained. In the Harvester standard a rent of 7s. is mentioned. As a fact at that time the average rent of four-roomed houses was 8s. 11d. A grievous wrong has been done to the worker throughout the Commonwealth by perpetuating that original error; indeed the error has not only been perpetuated, but it has been accentuated as the index figures for rent rose and the purchasing power of money spent in rent correspondingly fell. The 7s. rent in 1907 brought up to date by the rent index number indicates a rent to-day of 9s. 9d. in Perth, but as a fact the average rent of four-roomed houses in Perth in June, 1923, was 17s. 3d. An award arrived at by the formula adopted by the Federal Court would indicate a Perth wage of 73s. per week, which would include 9s. 9d. for rent, while the average four-roomed house costs 17s. 3d.

The majority of the Court has disallowed the claim for a five-roomed house, unemployment and other items, and the award in effect reaffirms the Harvester standard in all respects except as to rent. With this I do not agree, but accepting it as a decision I want to show what in my opinion is the correct way the wage should have been fixed by the use of the Commonwealth Statistician's index number. The rent included in the Harvester standard is wrong for the sufficient reason that at the time it was fixed four-roomed houses could not be obtained for the amount allowed, namely, 7s. per week or 1s. 2d. per day. The first step towards a sound basis is therefore to discard the erroneous factor from the wage, making it without rent 5s. 10d. Rent being eliminated the Commonwealth Statistician's index numbers for food, grocery, and rent are no longer applicable and recourse must be had to the companion table for groceries and food only. By this table the index number for Melbourne in 1907 is 925. The corresponding figure for the year ending June, 1923, for Perth is 1799. If this increase is applied to 5s. 10d. we get 11s. 4d. per day or 68s. per week for food and groceries only. We know that the actual average rent for a four-roomed house is 17s. 3d., so the total wage for food, groceries, and house rent should be 85s. 3d. or £4 5s. 3d. per week. This is a perfectly legitimate and proper use to make of the index numbers and is mathematically more accurate than the use made of them by the Federal Court. It is more accurate because rent consideration for houses too expensive for the worker to occupy is eliminated and the actual average rent for four rooms allowed. In passing I may say that I make that last assertion as to the correctness of this use of the index figures not only on my own authority but on the authority of mathematicians quite as competent as the Federal Statistician or anyone else in his office.

The next matter of chief importance was the effort to retain the 44 hour week. The Union were here in the position of resisting the change from existing conditions. The department have had some years of experience with the 44 hour week and should have had abundant material with which to show how they had been injured by its operation, if as a fact they had been injured at all. This is the second occasion this Court has listened to an attempt made by large Government departments with elaborate systems of costing and accountancy to prove increase in cost or reduction in output due to a 44 hour week, and in both cases they have failed completely. So weak has been the case that the agents on both occasions have presented it with more or less apology. The evidence, and I stress that word particularly, in this case will not stand five minutes' examination. It ranges from the wild and reckless statement by Mr. Lawson that a navvy shifting sand all day and half the night will shift as much at 10 p.m. as he did in the morning, down or up, to a return by a more responsible witness which after allowing for reduced hours and increased wages still left from 23 per cent. up to 60 per cent. increased cost on various jobs entirely unaccounted for. The history of the 44 hour question in Australia is such as to give the most enthusiastic supporter of compulsory arbitration pause. In Queensland it has been the predominant weekly period for something like 40 years, and yet that country flourishes. In New South Wales and the Federal sphere it was established after long and patient inquiry and determination. In New South Wales it was made a party issue at an election and destroyed. In the Federal sphere it was no sooner established than the money power and party politician set out to destroy it. Throughout Australia it was for a long time almost impossible to pick up a paper without being confronted by some reference to the alleged evil effects of the 44 hour week. These things do not happen promiscuously or haphazard, they are the result of deliberate design and execution. My best advice to the Unions is to follow the example which has been set. Make the 44 hour question a political question and seek to obtain by political action what you have failed to secure by arbitration.

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*26th September, 1923.*

## DELIVERY OF AWARDS.

The following remarks were made by the President in regard to alterations made subsequent to the speaking to the Minutes:—

*Water Supply, Sewerage, and Drainage Award.*
(Nos. 25, 27, and 28 of 1922.)

The PRESIDENT: In this case we have made some alterations, most of which were outlined by the court during the discussion.

With regard to Ganger in Charge, the ganger in charge of less than eight men will receive 16s. 4d. per day, and the ganger in charge of eight men and over 17s. 4d.

Screeder, a new designation in the Award, is to receive 14s. 10d., and the trowel hand or renderer 15s. 4d.

With regard to cement, we have added the following clause for the Wages Schedule:—"Employees engaged tipping dry cement into truck or handling dry cement in machine mixing to receive 1s. per day extra."

Overtime will now read: "All time worked outside of or in excess of the usual hours. . . . ." That alteration, I think, appears in all the awards which we are about to deliver.

At the end of holiday clause we have added: "Payment for holidays shall be made in accordance with the usual hours of work." That is to prevent the difficulty suggested by Mr. Barker. We have placed a similar clause in the other awards.

In the allowances "Sewerage maintenance men and others on any day on which they are engaged for any portion inside and cleaning out septic tanks. . . . ." We have inserted the word "inside."

We have also altered the clause dealing with trench work, which now reads: "Workers working 6ft. below the surface in trenches from the time that timber is stood, or workers working by stages in trenches, or workers in stone trenches more than 7ft. below the surface, shall receive 6d. per day extra."

At the end of the general clause (i), we have made an alteration. It now reads: "Employees engaged on construction or re-construction work situated more than one mile from the nearest tram or railway station shall receive 6d. a day in addition to their ordinary pay, unless travelling in the Department's time."

With regard to the change room, that clause now reads: "A change room and/or mess room shall be provided on any job at the commencement where it is reasonably required for the convenience of the workers."

18. *Area and Scope.*—This award shall apply only to workers employed by the Minister for Public Works, the Colonial Secretary as Minister for State Steamship Service, and the Commissioners of the Fremantle Harbour Trust, and shall operate over the coast line of the State from a point 20 miles North of Geraldton to a point 20 miles East of Albany and for a distance of 15 miles inland therefrom.

19. *Term.*—The currency of this award shall be three years, provided that at any time after the expiration of twelve months from its date the Court may alter or amend the award, on application of any party or person affected by its provisions.

In witness whereof this Award has been signed by the President of the Court, and the Seal of the Court has been hereto affixed this 26th day of September, 1923.

T. P. DRAPER,
President.

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COURT OF ARBITRATION, WESTERN AUSTRALIA.

Nos. 22 and 31 of 1922.

Between the Coastal Districts Committee Amalgamated Society of Engineers' Industrial Association of Workers, Applicant,

and

The Minister for Works and the Minister for Water Supply, Sewerage, and Drainage, the Colonial Secretary, and the Minister for the North-West, Respondents.

The Court of Arbitration of Western Australia doth hereby make the following Award in connection with the industrial dispute between the above-mentioned parties:—

*Award.*

1. *Hours.*—Forty-eight hours shall constitute a week's work. On the first five days of the week eight hours a day may be exceeded by such a period as will make up for a short day on Saturday. Provided that during the months of October to March inclusive, from Carnarvon to Wyndham inclusive, 44 hours shall constitute a week's work.

2. *Overtime and Holidays.*—(a.) All time worked in excess of or outside the usual hours shall be paid at the rate of time and a quarter for the first three hours after usual stopping time, and time and a-half for the next four hours, and double time thereafter.

(b.) Systematic overtime shall not be worked. Overtime shall be considered systematic when two weeks' continuous overtime has been worked. Provided that this subclause shall not apply to cases where after application to the society has been made extra labour is not forthwith available.

No worker shall be required or permitted to work more than 24 hours' overtime in any one week, except in case of a breakdown of employer's plant.

(c.) For all work done on Sunday, New Year's Day, Good Friday, Easter Monday, Labour Day, Christmas Day, or Boxing Day, double time rates shall be paid.

(d.) When an employee is recalled to work after leaving the job he shall be paid at least two hours' overtime for such call-out.

(e) When an employee is required for overtime exceeding one hour without being notified the previous day, he shall be supplied with any meal required or be paid 1s. 6d. for such meal.

(f.) When an employee is required for duty during any meal time he shall be paid at overtime rate until he be allowed the usual length of time for a meal.

(g.) Twelve paid holidays per annum shall be granted to each employee, provided always that Christmas Day, Boxing Day, New Year's Day, Good Friday, Easter Monday, and Labour Day shall be taken as they come as portion of the holidays. The balance of six days shall be granted as annual leave at the convenience of the department. Payment for holidays shall be made in accordance with the usual hours of work.

(h.) All employees employed for a period of less than 12 months' continuous service shall receive holiday pay as follows:—After one month's continuous service, one day, with a similar allowance for each additional month's service.

3. *Dirt Money.*—Employees engaged on dirty work shall be paid 1½d. per hour extra as dirt money. Present practice as to what is dirty work to continue.

4. *Wages.*—Wages paid to workers other than registered apprentices shall be:—

| | s. | d. | |
|---|---|---|---|
| Patternmaker .. .. .. | 18 | 10 | per day |
| Blacksmith—In workshop .. .. | 18 | 4 | „ |
| On or about construction works—doing field work .. .. | 17 | 10 | „ |
| Coppersmith, fitter, turner, brassfinisher, Universal milling machinist, motor mechanic, electrical fitter .. .. .. .. | 17 | 4 | „ |
| Machinists other than driller or screwer .. .. .. .. | 16 | 4 | „ |
| Driller .. .. .. .. | 15 | 4 | „ |
| Screwer .. .. .. .. | 14 | 4 | „ |
| (Worker on drilling machine who uses cutter bar to be rated as machinist other than driller or screwer.) | | | |
| Electrical wireman .. .. .. | 16 | 4 | „ |
| Electrical lineman .. .. .. | 15 | 10 | „ |
| Wireman fitter (Public Works Department) .. .. .. .. | 16 | 10 | „ |
| Electrical welder and oxy-acetylene worker—1s. per day extra. | | | |
| Tradesman's assistant .. .. | 13 | 10 | „ |
| General labourer .. .. .. | 13 | 4 | „ |

Provided that during the months of October to March inclusive workers from Carnarvon to Wyndham inclusive shall receive for a week's work of 44 hours the same pay in the aggregate for a week's work as is provided for a week of 48 hours. If less than a week's work be performed the wages shall be adjusted *pro rata.*

5. *Definitions:*—

A "motor mechanic" means a worker engaged in making, repairing, altering, assembling, or testing the metal parts of motor cars or other motor vehicles.

Oxy-acetylene or electrical welding plants shall be operated by tradesmen only.

"Electrical fitter" means a worker engaged making, repairing, altering, assembling, or testing (with or without wiring) electrical machines, instruments or apparatus.

"Electrical wirer" means a worker engaged in installing electric light, meters, bells, or telephones, or running or repairing the wires used for power or heating purposes.

"Electrical lineman" means a worker engaged (with or without labourers assisting) in erecting poles for electric wires or erecting wire or cables on poles or over buildings, or tying it to insulators, or joining or insulating it, or doing any work on electric poles off the ground.

A lineman shall not be allowed to work on live overhead wires carrying a current of 440 volts without an assistant.

A "leading hand" means any tradesman placed in charge of three or more other tradesmen or of six other workers and shall be paid as a leading hand tradesman. Leading tradesmen shall receive 2s. 6d. per day above the minimum rates specified above for their respective trades.

6. *Apprentices.*—(a.) In this award a "duly registered apprentice" means an apprentice of whose apprenticeship notice has been given to the Clerk of the Court in accordance with the provisions of this clause, and a "duly registered probationer" means a person working as an apprentice on probation, of whose probationary period notice has been given to the Clerk of the Court in accordance with the provisions of this clause. Provided that an apprentice or probationer shall be deemed to be duly registered during the period of 14 days allowed for registration.

(b.) Any employer hereafter taking an apprentice or probationer shall, within 14 days thereafter, register such apprentice or probationer by giving notice thereof to the Clerk of the Court in form 1 of the Appendix.

(c.) If at the date of this award any employer is employing any person as an apprentice or probationer who has not been duly registered as such he shall register such apprentice or probationer within fourteen days thereafter.

(d.) The maximum number of apprentices allowed to any employer in any branch shall be in the proportion of one to every three tradesmen employed by him in that branch. Provided that the employer shall not be entitled to have apprentices to any branch of the same year of their apprenticeship in a greater proportion than one to every four, or fraction of four, tradesmen employed by him in that branch. Provided that the fraction of two or four shall not be less than one. Provided also that this award shall not operate to render unlawful or to vary the terms or provisions of any apprenticeship legally existing at the date of its commencement.

(e.) For the purpose of ascertaining the number of apprentices allowed to be taken at any time, the average number of journeymen employed on all working days of the six months immediately preceding such time shall be deemed to be the number of journeymen employed.

(f.) Apprentices shall not be allowed except to one of the following branches of the engineering trade:—

(1) Motor mechanic;
(2) Patternmaking;
(3) Coppersmithing;
(4) Blacksmithing;
(5) Brassfinishing;
(6) Turning;
(7) Fitting;
(8) Electrical fitting;
(9) Universal milling machining;
(10) Machining, including milling machining other than Universal milling machining;

and they shall be engaged under the terms hereinafter set forth.

(g.) The term of apprenticeship shall be five years. A probationary period of three months before being bound shall be lawful, such probationary period to be deemed part of the term of apprenticeship.

(h.) Should any employer from unforeseen circumstances be unable to carry out his obligations to his apprentice, he shall be allowed to transfer the apprentice to complete his term with another employer, but it shall be incumbent on the former employer to notify the Clerk of the Court of the date of such transfer and when such apprenticeship commenced, in form 2 of the Appendix.

(i.) The following provisions shall apply in respect of all apprenticeships:—

(1) An employer shall be deemed to undertake the duty which he agrees to perform as a duty enforceable under this award, and shall, subject to the provisions of subclause (o), pay the apprentice the rate of wages herein provided.

(2) At the end of the period of apprenticeship, the employer shall give the apprentice a certificate to show that he has served his apprenticeship, in form 5 of the Appendix. Should the employer at any time before the termination of the period of apprenticeship desire to dispense with the services of the apprentice he may, with the consent of the apprentice, transfer him to another employer carrying on business within a reasonable distance of the original employer's place of business willing to continue to teach the apprentice and to pay the rate of wages prescribed by the award according to the total length of time served, and generally to perform the obligations of the original employer. He shall also give to the apprentice a certificate of the time served and of the rate of wages paid, and shall give notice to the Clerk of the Court of such transfer in form 2 of the Appendix. It shall not be obligatory upon the employer to find the apprentice another employer if he shall so misconduct himself as to entitle the employer to discharge him, but he shall nevertheless give him a certificate for the time actually served.

(3) An employer shall be deemed to have failed in his duty towards his apprentice if he fails to keep him constantly at work, but slackness of work may form a proper ground for transferring him to a master willing to take the responsibility of teaching him.

(4) When an apprentice is discharged for cause, the employer shall send notice in writing of the discharge and the cause thereof to the said Clerk of the Court, in form 3 of the Appendix.

(j.) The minimum wage payable to an apprentice shall be:—

| | s. | d. | |
|---|---|---|---|
| First year .. .. .. .. | 20 | 0 | per week |
| Second year .. .. .. .. | 27 | 0 | " |
| Third year .. .. .. .. | 39 | 0 | " |
| Fourth year .. .. .. .. | 51 | 0 | " |
| Fifth year .. .. .. .. | 63 | 0 | " |

The wages of an apprentice engaged under the terms of this award shall be subject to alteration: Provided that no such alteration shall be made except when the wages of tradesmen under this award are being reviewed.

(k.) Every apprentice shall be bound to submit himself to examination by a Board of Examiners hereinafter constituted once in each year of his service when called upon by the Clerk of the Court so to do.

(l.) The Clerk of the Court shall notify the Board of Examiners of the names and addresses of apprentices required to submit themselves for examination. The examination shall be held at the place where the apprentice is employed, and it shall be the duty of each employer to provide such necessary material and machinery as may be required, and in all ways to facilitate the conduct of the examination.

(m.) The examination will be held in the month of May each year. The Board of Examiners shall consist of persons skilled in the trade to be nominated by the association and by the employers carrying on business within the area to which the award applies, or failing such nomination or nominations such person or persons as may be appointed by the Court. In the event of a disagreement between the examiners, the matter in dis-

pute shall be referred to a third person agreed to by them, or nominated by the Court or by the President at the request of either member, and the decision of such third person shall be final and conclusive. The examiners shall examine the work and inquire into the diligence of each apprentice and as to the opportunities provided by the employer to each apprentice to learn.

(n.) The examiners shall report to the Court in writing as to the result of the examination.

(o.) The Clerk of the Court shall supply to each candidate a certificate showing the result of his examination, in form 4 of the Appendix, and it shall be lawful for any employer to withhold the increase in wages accruing in accordance with the scale set forth in subclause (j) hereof from any apprentice who fails to satisfy the examiners.

(p.) If the examiners report to the Court that any employer has not provided sufficient opportunity for the apprentice to learn, the employer shall be deemed *prima facie* guilty of a breach of this award under Section 90 of the Act, and may be summoned before the Court. Upon any such proceedings, the report may be received in evidence.

(q.) Such fees shall be paid by the Clerk to the examiners as the Court shall allow.

(r) Notwithstanding anything contained in the above clauses, it shall be lawful for John Albert Wilson, Jack Vincent, and Arthur Thompson, at present employed in the Kalgoorlie Shops of the Goldfields Water Supply, to continue to be employed on the same terms and conditions as provided for apprentices in this award, provided that the wages now received by them shall not be reduced. They shall be given credit as apprentices for the time served and be classed as apprentices to fitting. On passing the necessary examination they shall be given the prescribed certificates. They shall attend the classes appropriate to their trade at the School of Mines, Kalgoorlie.

7. *Country Work.*—(a.) When an employee is instructed to proceed on duty from the place where he is then or is usually employed, the employer shall pay all fares, including sleeper, and a proper allowance at current rates for all necessary meals, or board and lodging. Fares shall be second class, except when travelling by coastal boat, when saloon fares shall be paid, and shall include return fare on completion of job or after twelve months on job.

(b.) Travelling time shall be paid at ordinary rates at place of departure, with a maximum of a day's pay when travelling by boat or in a sleeper. When travelling by night without a sleeper the worker shall be entitled to receive an extra day's pay for such travelling. No time to be lost through travelling.

8. *Under-rate Workers.*—Any worker who, by reason of old age or infirmity, is unable to earn the minimum wage may be paid such lesser wage as may from time to time be agreed in writing between the employer and the association.

9. *Term of Award.*—The currency of this award shall be three years from the date hereof. Provided that at any time after the expiration of twelve months from its date the Court may alter or amend the award on the application of any party or person affected by its provisions.

10. *Area of the Award.*—This award shall apply to the following areas:—

(1) The metropolitan, comprised within a radius of 12 miles from the General Post Office, Perth.

(2) Situated within 100 yards from any water main, pipe, dam, or well controlled or to be laid or constructed by the Minister of Water Supply, Sewerage, and Drainage, or situated within Government Reserve 14073, Wooroloo.

(3) On the coast-line of the State of Western Australia from a point 20 miles North of Geraldton to a point 20 miles East of Albany, and for a distance of 12 miles from the coast between these points.

(4) Comprised within a radius of five miles from each of the following places on the coast, namely:—Carnarvon, Onslow, Point Sampson, Port Hedland, Broome, Derby, and Wyndham, respectively.

11. *District Rates.*—In addition to the wages prescribed for the metropolitan area, the following allowances shall respectively be paid to workers in the undermentioned areas:—

(1) Within 100 yards from any water main, pipe, dam, or well controlled or to be laid or constructed by the Minister for Water Supply, Sewerage, and Drainage:

(a) Mundaring up to Merredin, 6d.

(b) Including Merredin up to Kalgoorlie and Goongarrie inclusive, and to Coolgardie and Widgiemooltha inclusive, 1s. 6d.

(c) Beyond Widgiemooltha or Goongarrie, 1s. 9d.

(d) East of Mullewa and including Mt. Magnet, 1s. 6d.

(e) Beyond Mt. Magnet, North and East, 1s. 9d.

(f) Within Government Reserve 14073, Wooroloo, 6d.

(2) Within an area of five miles from the following places on the coast:

(a) Carnarvon, 3s. 8d.

(b) Onslow, Point Sampson, Port Hedland, 4s. 8d.

(c) Broome, Derby, 5s. 8d.

(d) Wyndham, 7s. 8d.

12. *Scope of Award.*—This award shall apply only to workers employed by the Minister for Works, the Minister for Water Supply, Sewerage, and Drainage, the Colonial Secretary, and the Minister for the North-West.

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In witness whereof this Award has been signed by the President of the Court, and the Seal of the Court has been hereto affixed this 26th day of September, 1923.

T. P. DRAPER,
President.

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## APPENDIX.

### FORM 1 (a).

*Clause 6, Subclause (b) of Award.*

To the Clerk of the Court of Arbitration.

Please take notice that.............., of.........., entered my service on probation as an apprentice to the ..........branch of the Engineering trade, on the...... day of............, 19 .

Dated the..........day of.............., 19 .

........................
Signature of Apprentice.

........................
Signature of Parent or Guardian.

........................
Signature of Employer.

FORM 1 (b).

*Clause 6, Subclause (b) of Award.*

To the Clerk of the Court of Arbitration.

Please take notice that the undersigned (apprentice) ..............., of..............., has entered the service of the undersigned (employer)............... of............, as an apprentice to the............ branch of the Engineering trade.

The term of service began on the.............day of..............., 19 .

Dated the.........day of.............., 19 .

Signature of Apprentice...................

Signature of Parent or Guardian............

Signature of Employer...................

FORM 2.

*Clause 6, Subclause (h) of Award.*

To the Clerk of the Court of Arbitration.

Notice is hereby given that................., who entered my employ as apprentice on the..........day of..............., 19 , has been transferred to the employment of.....................

Dated the.......day of..............., 19 .

Signature of former Employer.............

Signature of new Employer.................

Witness.............

FORM 3.

*Clause 6, Subclause (i) of Award.*

To the Clerk of the Court of Arbitration.

I hereby give notice that I have this day discharged from my employment as an apprentice to the ....... branch of the Engineering trade..............., who entered my service on the......day of............., 19 .

The cause of the said discharge was.............
........................

Signature of Employer.............

FORM 4.

*Clause 6, Subclause (o) of Award.*

I hereby certify that.........., of............., has satisfied the examiners of his competence in the ........branch of the Engineering trade at the examination proper to the...........year of his service as apprentice.

Dated the.........day of............, 19 .

........................

Clerk of the Court of Arbitration.

FORM 5.

*Clause 6, Subclause (i) of Award.*

Western Australia.

*Certificate of Competency.*

This is to certify that.........., of..........., has served his full term of apprenticeship to the...... branch of the Engineering trade.

Signature of Employer...............

This is to certify that the above-named apprentice has passed all examinations in accordance with the award of the Court of Arbitration.

Dated the........day of............., 19 .

...........................

...........................

Signature of Board of Examiners.

COURT OF ARBITRATION, WESTERN AUSTRALIA.

Nos. 23 and 30 of 1922.

Coastal District Committee Amalgamated Society of Engineers Industrial Association of Workers, Applicant,

and

The Minister for Water Supply, Sewerage, and Drainage, Respondent.

The Court of Arbitration of Western Australia doth hereby make the following Award in connection with the industrial dispute between the above-mentioned parties:—

*Award.*

1. *Rates of Pay.*—(a) The minimum rates of pay shall be 17s. 4d. per day for second Engineers. Senior Tradesman at the Cunderdin workshop shall be paid the rate prescribed for a second engineer, plus 1s. per day, except when relieving.

(b) Engineers in Charge shall be paid £350 per year, including district allowance.

(c) At No. 1 Station the Engineer in Charge shall be paid £5 per year extra.

(d) Second Engineers shall receive two hours' pay extra at ordinary rates for each day on which they relieve the Engineer in Charge on his holiday or sick leave or on other occasions when instructed to do so by the Superintendent of Machinery or other officer acting in his stead.

2. *Pay Period.*—The pay period shall be from the 1st to the 15th inclusive and from the 16th inclusive to the end of each month.

3. *Hours of Work.*—Second Engineers shall be paid as for the total number of hours (equal to an average of eight hours per day) constituting each pay period respectively, whether such time be actually worked or not. Providing that the eight hours per day for the second engineers shall be consecutive, except in the case of a breakdown in the machinery, or interruption in connection with the 30in. main, or arrangement mutually arrived at to suit the requirements of working at any individual station.

4. *Overtime.*—(a) Week days: Second Engineers: For the time worked in excess of the total number of hours constituting each respective pay period, Second Engineers shall be paid at time and a half rate in respect of the first four hours and at double time for the balance.

(b) Any employee brought on duty for any purpose outside his ordinary time shall receive a minimum of two hours' overtime for each such call out.

(c) Sundays: Time worked by Second Engineers on Sundays shall stand by itself and be paid for at time and a half.

When a pumping shift of up to eight hours is necessary on a Sunday it is to be fully worked by the Second Engineer, provided that if the circumstances in the opinion of the Engineer in Charge require his special attention he shall take the shift.

(d) For all time worked on Christmas Day, Good Friday, and Labour Day employees shall be paid at double time rates.

(e) Engineers in Charge shall not be entitled to payment for overtime.

5. *Leave of Absence.*—(a) All engineers shall be entitled to 14 consecutive working days' leave with pay each year, provided always that with the consent of the Superintendent holidays may be allowed to accumulate for two years should the employee so desire.

(b) Engineers in Charge shall be entitled to three months' leave of absence on full pay for each seven years of service.

(c) Second Engineers shall be entitled to three months' leave of absence without pay for every seven years' service.

(d) All leave shall be taken to suit the exigencies of the Department.

6. *Leaving the Service.*—Any employee who may resign or be dismissed from the Service shall be entitled to receive payment for any holidays accrued to date of leaving the Service.

7. *Housing, etc.*—(a) Free quarters, fuel, lighting, and water service shall be provided as at present.

(b) If a Second Engineer is transferred from No. 1 Station to No. 2 Station temporarily he shall be allowed walking time one way at ordinary rates each day, provided that such time shall not be allowed if the Department provides a conveyance.

(c) Suitable quarters shall be found for relieving engineers independent of those provided for the engineers on the Station.

8. *Removals and Transfers.*—(a) All employees shall, subject to appeal to the Engineer for Water Supply, be prepared to remove to any station where their services may be required.

(b) When removal or transfer involves a train journey, first class fares shall be allowed to employees, and if married their wives and children under 16 years of age; also freight charges for the conveyance of a reasonable quantity of furniture and personal effects.

(c) No employee shall lose any time by transfer.

9. *Travelling on Duty and Away from Home Allowance.*—(a) The time necessarily occupied by all employees in travelling on duty (including waiting time) shall be paid as from the time of the departure of the train to the arrival of the train at destination at the ordinary rate of wages attached to the departure station, but not to exceed eight hours per day. Overtime rates shall not apply here.

(b) In addition, the scale of travelling allowance shall be Coastal, District, and Goldfields—2s. 6d. per item. "Item" shall mean the expense of breakfast, dinner, tea, and bed, necessarily incurred whilst travelling from headquarters on duty.

(c) *Away from Home Allowance.*—Engineers when relieving away from own station, shall be paid 5s. per day at Stations Nos. 1, 2, 3, and 4, and 6s. per day at other stations.

(d) For each night necessarily absent from home station on duty the following allowance shall be paid:—Reasonable out-of-pocket expenses for meals and bed.

10. *Filling Vacancies.*—Members of the staff at Stations 5 to 8 inclusive, who feel aggrieved at being passed over in connection with the filling of vacancies at Stations 1 to 4 or to the Workshops shall have the right of appeal to the Engineers for Water Supply on the matter.

11. *Inspection of Wages Sheets.*—Wages sheets shall be open to the inspection of the accredited representative of the Society at the Head Office only upon reasonable notice being given.

12. *General.*—(a) Communications which in terms of existing regulations are required to pass from members of the staff through the Engineer in Charge shall be acknowledged in writing from Head Office direct to the employee concerned.

(b) As far as possible the Superintendent shall arrange for Second Engineers to change shifts every week when pumping.

(c) When two engines are running there shall be an engineer and a greaser on duty in the engine room, provided that when two engineers are on duty together a greaser need not be employed.

13. *Area.*—This award shall apply to the area situated within 100 yards of the Goldfields Water Supply main controlled by the Minister for Water Supply, Sewerage, and Drainage.

14. *District Allowances.*—In addition to the wages prescribed for second engineers, the following allowances shall be paid them in the undermentioned areas:—

Within 100 yards of the Goldfields Water Supply main controlled by the Minister for Water Supply, Sewerage, and Drainage—

(a) Mundaring up to Merredin, 6d.

(b) Merredin up to Kalgoorlie, both inclusive, 1s. 6d.

15. *Term.*—The currency of this award shall be for three years from date hereof. Provided that, after the expiration of twelve months from the date hereof, the Court may amend or revise the award on the application of any party or person affected by its provisions.

16. *Scope of Award.*—This award shall apply only to workers employed by the Minister for Water Supply, Sewerage, and Drainage.

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In witness whereof this Award has been signed by the President of the Court, and the Seal of the Court has been hereto affixed this 26th day of September, 1923.

T. P. DRAPER,
President.

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## COURT OF ARBITRATION, WESTERN AUSTRALIA.

24 and 35 of 1922.

Between Coastal Painters' and Paperhangers' Industrial Union of Workers, Applicant,

and

The Minister for Works, the Minister for Water Supply, Sewerage, and Drainage, and the Minister for the North-West Department, Respondents.

The Court of Arbitration of Western Australia doth hereby make the following Award in connection with the industrial dispute between the above-mentioned parties:—

*Award.*

1. *Scope.*—These conditions shall apply to the industry or trades of painting, glazing, decorating, paperhanging, signwriting and graining, and any other branch of the trade where oil or water paints (including their substitutes and refrigerating compounds of all kinds) or like matter is applied with a spray or brush, and shall apply only to workers employed by the Minister for Works, the Minister for Water Supply, Sewerage, and Drainage, and the Minister for the North-West.

2. *Area.*—This award shall apply to the following areas:—

(1) The metropolitan, comprised within a radius of 12 miles from the General Post Office, Perth, and the area comprised within Government Reserve 14073, Wooroloo.

(2) Situated within 100 yards from any water main, pipe, dam, or well controlled or to be laid or constructed by the Minister for Water Supply, Sewerage, and Drainage.

(3) On the coastline of the State of Western Australia from a point 20 miles North of Geraldton to a point 20 miles East of Albany, and for a distance of 12 miles from the coast between these points.

Little need be said about the two remaining matters which were in dispute. In regard to the allowance claimed by the Union for the fireman relieving an officer in charge of a shift the amended proposal made by the respondent would in my opinion meet all reasonable requirements and an amendment along these lines has been permitted.

The Union's claim for a specified list of items of uniform to be provided at specified times seems to me to be quite unjustified as the present provisions satisfactorily fills the men's requirements.

Mr. DAVIES: The only part of this decision with which I disagree is that amount which has been awarded as payment for working a 56-hours week. The award in question was issued on the 1st day of July, 1957 and was by consent of the parties to it. Clause 3, sub-clause (b) of the award was set out in a somewhat unusual manner. The first column showed the total marginal payment to the various classifications described and the second column showed an amount, which in the event of any reduction in working hours, less than 56, would be reverted to by workers under this award when there was a reduction of hours, the difference between the two figures being the amount payable for working 56 hours.

It is quite impossible to know, with any certainty, how these amounts were arrived at by the parties. Be that as it may however, it was unquestionably their own assessment of the extra rate which should be paid for working a 56-hours week. A reduction of hours to less than 56 was not sought by the parties in the application before us and it would appear to me therefore that the equitable way to determine the amount to be paid for these extra hours per week would be, in the absence of any evidence to guide us, to accept the assessment made by the parties themselves in 1957. In actual fact however, the amendment about to issue whilst increasing the ordinary margin, reduces in some instances the amount payable previously and, to the extent that it does. I therefore disagree.

Mr. CHRISTIAN: I agree with the decision of His Honour, the President, except for the assessment of one third time for all hours in excess of 40, which I think is rather high. I consider the one-quarter term would have been more equitable.

The PRESIDENT: The Minutes of the proposed amendment will be handed to the parties, and perhaps we could have a Speaking to the Minutes at 10.30 a.m. tomorrow.

Mr. CANT: I think that will be quite all right.

*Decision accordingly.*

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IN THE COURT OF ARBITRATION OF WESTERN AUSTRALIA.

No. 131 of 1958.

Between Fire Brigade Employees' Industrial Union of Workers (Coastal Districts) of Western Australia, Applicant, and Western Australian Fire Brigades Board, Respondent.

HAVING heard Mr. H. Cant on behalf of the applicant and Mr. H. A. Jones on behalf of the respondent, the Court, in pursuance of the powers contained in section 92 of the Industrial Arbitration Act, 1912-1952, doth hereby order and declare that Award No. 6 of 1957 be, and the same is hereby amended in the following manner:—

Clause 3.—Rates of Pay.

Delete subclause (b) of this clause and substitute therefor the following:—

(b) The following workers shall be paid at the margins shown against their respective classifications:—

| Classification. | Margin over Basic Wage per Week of Seven Days. While existing 56 Hours per Week Continues. | When Hours reduced to 42 or 40 Hours per Week. |
|---|---|---|
| | £ s. d. | £ s. d. |
| Probationary fireman: 1st two months | 4 11 9 | (2 9 0) |
| Third Class fireman: Ten months | 5 4 3 | (3 0 0) |
| Second Class fireman | 5 15 6 | (3 10 0) |
| First Class fireman with less than five years' service | 6 8 0 | (4 1 0) |
| First Class fireman, after five years' service | 6 18 3 | (4 10 0) |
| Senior fireman | 7 16 3 | (5 6 0) |

Clause 8.—Relieving an Officer.

Delete the whole of this clause and substitute therefor the following:—

8.—Relieving an Officer.

(a) A fireman or senior fireman in the metropolitan area, being the senior man in charge at a fire during the absence of the responsible officer, or who is directed by the Board to take charge of a station during an officer's absence, shall be paid one shilling per hour in addition to his ordinary wages. The minimum payment under this clause shall be for one hour.

(b) Existing practice in the country to continue.

Dated at Perth this 3rd day of October, 1958.

By the Court,

[L.S.] (Sgd.) R. V. NEVILE,
President.

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GOVERNMENT CONSTRUCTION AND MAINTENANCE.

(A.W.U.)

No. 35 of 1952.

IN THE COURT OF ARBITRATION OF WESTERN AUSTRALIA.

No. 93 of 1958.

Between Australian Workers' Union, Westralian Branch Industrial Union of Workers, Applicant, and Minister for Works and others, Respondents.

Before: The Hon. President (Nevile J.) and Messrs. T. G. Davies and J. J. Christian.

Monday, 22nd December, 1958.

*Reserved Decision.*

The PRESIDENT: This is an application to amend Award No. 35 of 1952. The main matter in dispute was a claim for increases in the District Allowances prescribed by Clause 33 of the Award

and I will deal first with that subject. There were however other amendments to the award sought by the applicant union, and to those matters I propose to refer at the conclusion of this judgment.

District Allowances were first granted in the North-West and Kimberleys in the Engineering Awards of 1923, (3 W.A.I.G. 111). That Award prescribed allowances of the following amounts for workers within 5 miles of the named ports viz.,

Carnarvon, 3s. 8d. per day, i.e., 22s. per week.
Onslow, Point Sampson, Port Hedland, 4s. 8d. per day, i.e., 28s. per week.
Broome, Derby, 5s. 8d. per day, i.e., 34s. per week.
Wyndham, 7s. 8d. per day, i.e., 46s. per week.

The only reasons for the decision (3 W.A.I.G. 98) refer to the minimum wage and hours of work and although I have searched the Court files, I have been unable to find any transcript of the reasons actuating the Court in prescribing the District Allowances. The decision therefore is not very helpful in these proceedings—I should perhaps note that under that Award workers at Kalgoorlie received a district allowance of 1s. 6d. per day or 9s. per week; now that the District Allowances have to be added to the basic wage for Kalgoorlie they should perhaps for purposes of comparison be reduced by that amount.

The allowances prescribed by that Award were paid to all Government workers until 1930 when the Government employers applied to amend eight separate Awards covering those of its then workers employed under conditions prescribed by the Court. The present applicant union was not a party to those proceedings as it had not at that time been registered in this Court. On those applications the Court heard certain evidence as to cost of living figures in the North-West ports from Mr. A. J. Reid (now Sir Alex Reid) of the Statisticians Office and on that evidence decided that the offer made by the Government departments was a fair and reasonable one and reduced the allowances to—

Carnarvon and within 5 miles thereof—15s. per week.
Onslow and Point Sampson and within 5 miles thereof—23s. 6d. per week.
Port Hedland, Broome and Derby and within 5 miles thereof—30s. per week.
Wyndham and within 5 miles thereof—38s. per week.

At the same time the hours of the workers in the North-West during the summer months were fixed at four hours less than the forty-eight (48) hours per week prescribed for other workers. It may be worth noting that the allowance for Kalgoorlie and Boulder was reduced to 2s. 4d. per week (See 10 W.A.I.G. 279)—Similar allowances were prescribed for members of the applicant union in the following year (See 11 W.A.I.G. 21) by the members of the Court sitting by consent of the parties, as a Special Tribunal to determine the dispute that had arisen but the tribunal also prescribed a camping allowance of 5s. 3d. per week for all men living in camps.

The allowances prescribed in 1930 and 1931 have remained unaltered since that date except that in 1939 by an unregistered agreement between the applicant union and the responsible Ministers in charge of the Government departments concerned, the allowances for Onslow and Point Sampson were increased to 30s. the same as those for Port Hedland, Broome and Derby.

It has been suggested that we should take these 1930 and 1931 decisions as a base, for any amendment, making allowance for the change in the purchasing power of money and also for any decreases in isolation factor brought about by improved means of transport and communication since that time and the growth in population and establishment of certain amenities in the North-West towns. However a perusal of the evidence in the 1930 proceedings shows how scanty and unsatisfactory was the evidence produced before the Court and with all respect to the then Court, it is difficult to appreciate how the decision was founded on any sort of analysis of what evidence was submitted to it but appears rather to have been the result of a general opinion that in the then difficult economic conditions and the Government's offer was a reasonable one—the cost of living figures were admitted by Mr. Reid to be most unsatisfactory and particularly in regard to rent he said that the department had to rely on very few figures for each town, supplied by in some cases the local policeman and in others by some general agent. This probably explains why the average rent in Derby was said to be 8s. 9d. per week while in Port Hedland it was almost double that amount (Transcript page 127), a matter to which I will refer later. Moreover the Court made no attempt to show what parts of the allowances prescribed were allocated amongst the various factors that have to be considered in any fixation of a district allowance, indeed it seems extremely doubtful whether anything but cost of living was taken into account. No inspections were made and no witnesses, who were then residing in the North-West or the Kimberleys, were called and no argument on anything but the cost of living was addressed to the Court, which in the reasons for judgment confined any observations to that factor. For those reasons I am of the opinion that the 1930 decision cannot be used by us as a base or starting point for our present consideration.

In the course of these proceedings, the Court visited all the North-West and Kimberley ports, and heard extensive evidence at Carnarvon, Roebourne, Port Hedland, Broome, Derby and Wyndham. Those responsbile for preparing the cases respectively put forward by the applicant union and the respondent Ministers are to be congratulated on the careful and thorough manner in which those cases were prepared and I for one feel that the parties have placed before the Court everything possible to help us in our difficult task. Both parties joined in asking that the Court should in its reasons for judgment show how the allowances, the Court prescribed, were allocated amongst the various factors involved; it was said that such allocations would considerably aid the parties in reaching agreement on any alterations which might in future be sought in the allowances in question, as the parties would know what relative weight should be given to changes that might occur in the various factors. Such a task is a difficult one but I think that the evidence placed before us is sufficient for us to approach the fixation of the allowances in a much more exact way than has been possible for the Court in the past and I will therefore attempt to set out what valuation I have placed on the various disabilities in calculating the amounts which I consider should be allowed.

I now turn therefore to a consideration of the various factors and the first and probably most important of these is the increased cost of living,

which in my opinion should be considered by comparing the costs of the four components for which allowance is made in the fixation of the basic wage.

The Statistician at the Court's request has computed for us how the present basic wage of £13 13s. 5d. for the Metropolitan Area should be allocated viz., £5 14s. 1d. for food and groceries; £3 13s. 11d. for clothing; £2 4s. 10d. for miscellaneous items and £2 0s. 7d. for rent. The allocation is only an approximation and any loadings have been allocated proportionally to the respective components—however, the North-West and Kimberley wages are based on the Kalgoorlie and not the Metropolitan Basic Wage, but by using the index numbers supplied to the Court by the Statistician, every quarter, the components in the basic wage for Kalgoorlie can be calculated as £6 1s. 11d. for food and groceries; £3 14s. 7d. for clothing; £2 7s. 1d. for miscellaneous items and £1 8s. 2d. for rent.

From the exhibits produced by both parties to the Court I have prepared a table showing the additional cost of food and groceries over both Perth and Kalgoorlie according to the tables of the State Statistician, which were put in evidence on behalf of the respondents and also according to the exhibits put in by various witnesses on behalf of the applicant union.

Table 1

**FOOD AND GROCERIES**

| Town | Statistician's Figures | | | | Figures collected from Union's Evidence | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Items in "C" Series Index | | Other goods weighted | | Items in "C" Series Index | | Other goods | |
| | Per cent. over Perth | Money Equivalent | Per cent. over Kalgoorlie | Money Equivalent | Per cent. over Perth | Money Equivalent | Per cent. over Perth | Money Equivalent | Per cent. over Kalgoorlie | Money Equivalent | Per cent. over Kalgoorlie | Money Equivalent |
| | | s. d. | | s. d. | | s. d. | | s. d. | | s. d. | | s. d. |
| Carnarvon .... .... | 12·41 | 14 2 | 5·01 | 6 1 | 16·83 | 19 2 | 12·56 | 15 4 | 9·14 | 10 5 | 5·15 | 6 3 |
| Average of Onslow, Roebourne, Port Hedland, Broome and Derby (not weighted) .... | 20·93 | 23 10 | 12·97 | 15 10 | .... | .... | .... | .... | .... | .... | .... | .... |
| Average of Port Hedland Broome and Derby .... | .... | .... | .... | .... | 24·44 | 27 10 | 24·25 | 27 7 | 16·25 | 19 10 | 16·065 | 19 5 |
| Marble Bar .... | 26·51 | 30 3 | 18·18 | 22 2 | .... | .... | .... | .... | .... | .... | .... | .... |
| Wyndham .... .... | .... | .... | .... | .... | 12·025 | 13 8 | 24 | 27 4 | 4·65 | 5 8 | 15·83 | 19 3 |

These figures show the cost of food and groceries in say Carnarvon to be something between 6s. 1d. and 10s. 5d. per week more than in Kalgoorlie and between 14s. 2d. and 19s. 2d. more than in Perth. They of course take no account of the fact that in the Metropolitan Area at least, and to a lesser extent in Kalgoorlie, one can often take advantage of draw lines and specials to buy groceries from the various chain grocery stores at prices below those ordinarily chargeable. They also take no account of the fact that many of the North-West and Kimberley people are forced to obtain a substantial quantity of their perishable foods by air freight and the evidence procured to us showed that despite the government subsidy, the freight on such goods in many cases, increased the price payable by the consumer by as much as the original price of the goods in Perth. However we had no evidence as to the proportion which such purchases bore to the total purchases—for some families it might be quite considerable, for others a negligible quantity might be obtained by air and for that reason I have felt bound to disregard these matters except to note that the figures set out in the table are certainly the minimum additional cost which residents in the North-West and North would have to bear.

Turning now to clothing—We had no figures from the Statistician as to clothing costs in the Towns with which we are concerned because in the absence of any staff in the area to check the quality of the clothing concerned he finds it impossible to make a comparison that would be of any value. The figures given in evidence by the witnesses for the Union would suggest that the increased cost of clothing would be comparable with the increased cost of food and groceries. In order to test this proposition I compared the variations in the cost of clothing in the Metropolitan Area, the remainder of the South West Land Division and the Goldfields and the rest of the State with the variations in the cost of food and groceries in those three areas. Taking the index numbers supplied by the Statistician for the quarter ending the 30th June, 1958 it will be found that in the South West Land Division the cost of clothing was 5.9% more than in the Metropolitan Area, while the cost of food and groceries was 6.04% more. In each case therefore the increase is practically 6%. For the same quarter the cost of food and groceries in the Goldfields area was 7.05% higher than in Perth, while clothing was 6.8% higher. Again the percentages

for each item are almost the same. It would therefore seem proper to infer that percentage increase in the cost of clothing in the areas with which we are concerned will be practically equal to the percentage increase in the cost of food and groceries. Using that assumption we would obtain the figures set out in Table 2 as the money equivalents of the increased clothing costs.

Table 2

**INCREASED COST OF CLOTHING**

| Town | Statistician's Figures | | Figures Collated from Union's Evidence | | | |
|---|---|---|---|---|---|---|
| | | | Amount over Perth | | Amount over Kalgoorlie | |
| | Amount over Perth | Amount over Kalgoorlie | Using "C" Series Percentages | Using "other goods" Percentages | Using "C" Series Percentages | Using "other goods" Percentages |
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| Carnarvon .... .... .... | 9 4 | 3 9 | 12 6 | 9 4 | 6 9 | 3 9 |
| Average of Onslow, Roebourne, Port Hedland, Broome and Derby (not weighted) .... .... .... | 15 9 | 8 8 | .... | .... | .... | .... |
| Average of Port Hedland Broome and Derby .... | .... | .... | 18 6 | 18 5 | 12 0 | 12 0 |
| Marble Bar .... .... .... | 19 2 | 13 5 | .... | .... | .... | .... |
| Wyndham .... .... .... | .... | .... | 8 10 | 18 4 | 3 8 | 11 9 |

It may be said that these figures take no account of the fact that the clothing worn in the North and North-West differs from that worn in Kalgoorlie. This is true, although not to the same extent that it differs from the clothing worn in Perth. At the same time it must be remembered that the clothing worn in many of the outlying districts in the South differs to almost the same extent from that worn in Perth but the same items of clothing have always been included in the index on which the basic wage is fixed for those districts as is included in the index for Perth. Furthermore although there would not be the same need in the North and North-West for heavy winter clothing that clothing must be purchased for wear on holidays in Perth and for children being educated in the south. The evidence also showed that by the way these children also had in many cases to be provided with extra sheets and blankets and winter clothes stored in the North in many cases suffer severely from mildew during "the wet." Further the light summer clothes generally worn would have to be renewed much more frequently than in the south and on evidence as to the costs of dry cleaning, with added expense of air freight as there are no dry cleaning establishments in the towns in question is a further heavy expense and there is also the cost of alterations to clothes ordered by catalogue to be taken into account. Taking all these matters into consideration, I feel there is some justification for the implicit assumption underlying the policy of the Court in always fixing the "clothing" component of the basic wage on the same items of clothing irrespective of the district concerned as the savings on the one hand would in all probability be counterbalanced by the extra expenses (apart from the actual prices of the goods) on the other. Furthermore if the Statistician collected statistics as to the clothing prices from the northern and North-West towns those prices would be for the same items of clothing as are included in the Kalgoorlie and metropolitan areas and if such figures were available the Court would undoubtedly have used them for the purpose of ascertaining the extra cost of clothing to be considered in fixing these allowances. I therefore propose to use the figures I have set out in Table 2 as they are the only ones available to us and in my opinion are reasonably satisfactory for the purpose.

The next item I wish to consider is that of rent. On this occasion no information from the Statistician as to rents being paid in the North and North West was placed before us. It has been suggested that we should use as a base the figures as to the rents being paid in 1930 and adjust them in proportion to the increase in rents in Kalgoorlie between 1930 and the present time. Such a suggestion seems to me to be so utterly absurd as to be worthy of little further comment. In the first place the unsatisfactory nature of the figures submitted in 1930 has already been noted. In the second place it takes no account whatsoever of the significant economic changes that have taken place in these areas since that date. The effect on rents of such economic changes can be seen in the case of Kalgoorlie. In 1930 rents in Kalgoorlie were higher than in Perth, according to the Statistician's figures, today rents in Kalgoorlie are only 70 per cent. of those in Perth, so that if the same procedure as has been suggested for ascertaining the rents paid in the North and North-West were adopted in fixing the basic wage for the various areas either the Perth basic wage would be reduced by 12s. or 13s. or that for Kalgoorlie would be increased by that amount. In 1930 the rent said to be payable at Derby was 8s. 9d. which if increased in proportion to the increase in Kalgoorlie from 1930 to date would give a rental now of a little under 12s. a week, i.e., about £30 a year. Anyone who has heard the evidence placed before us as to the high cost of maintenance and renovations

in the North-West and Kimberley ports would realise how absurd such a figure is. It would not cover the cost of rates, taxes and maintenance—Furthermore there can be no possible reason for assessing the rents at Derby at about half the rents paid at Port Hedland or Carnarvon, as this suggested method of assessment would do and in my opinion the results of adopting such a suggestion lead to obvious absurdities as to constitute a travesty of justice.

Another course for us to adopt would be to disregard the rent factor altogether on the ground that as we have no figures from the State Statistician on the subject there is not sufficient reliable information for us to come to any certain conclusions on the matter—such a course seems to me to be a shirking of our responsibilities and if we adopted it consistency would necessitate us also disregarding the whole matter of cost of living in Area No. 6 for in respect to that area we have no figures from the Statistician even in regard to the prices of food and groceries. In my opinion just as in the case of food and groceries at Wyndham we have made a decision on the evidence produced before us, so I think we should consider and analyse the evidence placed before us on rents, and if we find it sufficiently reliable and comprehensive to warrant our coming to certain conclusions with reasonable certainty, we should act on such conclusions.

The evidence produced to us was as follows:—

Tables were produced showing the economic rent of the houses erected by the State Housing Commission in the North-West and Kimberley ports. We were also informed of the rental charged for similiar State Housing Commission homes at Geraldton erected contemporaneously with those in the North-West and Kimberleys. I have also obtained from the State Housing Commission the result of a survey conducted in April last by the Statistician of the rentals of all their houses in the metropolitan area—

> In Geraldton the rent of a State Housing Commission house similar to the 58 built in Carnarvon is £3 11s. 6d.—the average rent of houses taken in Geraldton for basic wage purposes was at the 30th June, 1958, £2 6s. 7d., so the rent of the basic wage house, i.e., an old, four or five roomed house was 65 per cent. of the rent of State Housing Commission houses.

In the metropolitan area the survey of some 6,326 houses, showed that the average rent of four and five rooms brick houses was 62s. 7d. and 61s. 7d. respectively and of four and five rooms timber frame houses 61s. 7d. and 61s. 1d. respectively or an average over all of 61s. 8½d. The rent of the houses taken by the State Statistician for the purposes of the basic wage in the metropolitan area averaged £2 0s. 7d., i.e., 65.78 per cent. When we find from the only two places in respect to which we have obtained any information that the rents of old 4 and 5 roomed houses taken for the purposes of the basic wage are 65 per cent. and 65.78 per cent of the rents of State Housing homes of similar size the closeness of the percentages seems too striking to be a result of coincidence and I think that we may infer that generally the old four and five roomed house is let at approximately 65 per cent. of the rent of a State Housing home of four or five rooms. However to be on the safe side I have taken 60 per cent. of the economic rent for State Homes in the North-West and Kimberley towns set out in Exhibit No. 14 put in by respondents, as giving a reasonably accurate table of the rents that would be payable for old four and five roomed houses in those towns. The result of those calculations is shown in Table No. 3.

Table No. 3

**RENTALS**

| Town | First Method of Calculation | | | Second Method | |
|---|---|---|---|---|---|
| | Economic Rent of 4 or 5 rooms S.H.C. House | Calculated Rent of old 4 or 5 rooms house such as those taken by Statistician for "C" Series Index | Excess over Kalgoorlie of old 4 or 5 rooms houses—Kalgoorlie Average Rent from "C" Series Index for 30th June, 1958—£1 8s. 2d. | Government subsidy on Rents to reduce them to Geraldton figure | Excess over Kalgoorlie. Geraldton Average for June, 1958 from "C" Series Index being £2 6s. 7d. |
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| Carnarvon .... .... | 3 18 0 | 2 6 10 | 18 8 | 6 6 | 1 4 11 |
| Unweighted Average of Onslow, Roebourne, Point Samson, Port Hedland, Broome and Derby .... .... | 4 7 10 | 2 12 8 | 1 4 6 | 9 3 | 1 7 8 |
| Wyndham .... .... | 4 14 0 | 2 16 5 | 1 8 3 | 12 0 | 1 10 5 |

This table also shows the result of estimating the rents payable in the towns with which we are concerned by a second method which although not so exact as the first method is useful as giving a rough check on the other figures. The respondents have informed us in Exhibit No. 14 of the subsidies paid to reduce the economic rents which would be payable on the State Houses in these towns to the amounts paid as rent for similar houses in Geraldton. It seems reasonable to assume that if State Houses cost more to erect and maintain in the North and North-West houses

built for private owners which might be available for letting would be subject to similar heavier costs necessitating rents higher than those paid in Geraldton for the same type of houses. If therefore these subsidies are added to the amount by which the rentals of the houses in Geraldton, taken for the compilation of the "C" Series Index, exceed the rentals of similar houses in Kalgoorlie we should obtain the figures perhaps a little higher but not very much so approximating to the rentals that would be charged for "C" Series houses in the North and North-West.

As far as the Miscellaneous Component of the Cost of Living is concerned evidence was produced to show the extra costs of certain items comprised therein. On the other hand the Court knows that certain items for which allowance is made in that component, e.g., fares to and from work, are a negligible factor in the North and North-West. No attempt was made by either party, either in argument or by evidence, to analyse the position in regard to this component as a whole and insufficient information was given for the Court to do so on its own account. The result is that in my opinion this component of the cost of living must be entirely disregarded in these proceedings as the Court is unable to come to any conclusion as to whether the workers in the North and North-West are in this regard advantaged or disadvantaged compared with other workers in the State.

In my opinion therefore the effect of all the evidence as to cost of living comparisons is set out in Tables 1, 2 and 3 and I now turn to consider those tables in order to determine what allowance should be made for this factor—In making that consideration, I think we should use the Statistician's figures for food and groceries where such figures are available. It is true that the Unions' figures were based on evidence supported by a large number of dockets for actual purchases made by the witnesses concerned and I think that those witnesses should be congratulated on the responsible attitude they showed in collecting the necessary information to be placed before the Court. It is also time that the Statistician's figures for these towns are based entirely on returns supplied by private individuals and are not checked, as are the figures for Southern districts, by inspections made by members of the Statistician's staff. Nevertheless the Statistician's figures are part of the official statistics for the State and although the Union's figures show a slightly greater disability, on the whole they follow the same general pattern. For Wyndham and Area No. 6 we have no figures from the Statistician and this poses a problem as it would obviously lead to inconsistent results if we used the Union's figures for one area but not for the others. Moreover the Union's figures for Wyndham show a curious anomaly, as although the cost of items not included in the "C" Series index is shown as practically identical with the average cost of those items in Port Hedland, Broome and Derby, the additional cost of the "C" Series items at Wyndham would appear to be less than one third of the additional cost in those other three towns. In those circumstances I intend to take the average of the Statistician's figures for the five towns in Area No. 5 to be equally applicable to Wyndham. As I have said previously I have heavily discounted the disability to be attributed to higher rental payments and such discounting should more than counterbalance the fact that today's basic wage may include a small loading in addition to the sum of the true "needs" components and that by disregarding such a loading my percentage increases have also included a percentage increase of the loading. It is difficult to say exactly how much that loading is at the present time; it was said in argument to be probably about £1, but even were it as much as £2 (a figure above that which has ever been suggested) the highest percentage used in the calculation was 12.97 per cent. for Area No. 5 which even on £2 would represent only about 5s., an amount less than that by which I have discounted the rental disability for Areas 5 and 6.

The amounts I would allocate to cost of living in the allowances to be prescribed would be—

| | Food and Groceries. | Clothing. | Rent. | Total. |
|---|---|---|---|---|
| | s. d. | s. d. | s. d. | s. d. |
| Area No. 4 .... | 6 0 | 4 0 | 15 0 | 25 0 |
| Area No. 5 .... | 16 0 | 8 0 | 17 6 | 41 6 |
| Area No. 6 .... | 16 0 | 8 0 | 20 0 | 44 0 |

The next factor to be taken into consideration is that of climate disadvantages. Although the Court travelled in the areas concerned during the winter months some of its members have had previous experience of living or travelling in tropical areas during the wet summer months, and know from personal experience the physical discomfort and material disadvantages involved. In addition we heard evidence directed to show the Court the additional expenses entailed in maintenance of motor vehicles, homes, and furniture and furnishings, besides the occasional damage caused by cyclones. It is obviously extremely difficult to make any exact calculation of the proper monetary compensation to be allowed for such matters and I have been forced to the conclusion that the best course for the Court to adopt is to use as a basis for its fixation, that portion of the District Allowance payable under the Commonwealth Public Service Regulations which, on the points basis adopted under those regulations, is attributable to the climatic disabilities.

Taking for this purpose the allowance payable to a single man in the Commonwealth service, because under this Award the vast majority of the workers would be single men or married men whose families were living in the South, I have calculated that amounts allocated for "Climate" in the Commonwealth allowance are as follows:—

| | Per Week. |
|---|---|
| | s. d. |
| Area 4 .... .... .... .... | 4 10 |
| Area 5 .... .... .... .... | 18 3 |
| Area 6 .... .... .... .... | 25 2 |

It is to be noted that the points allocated for climate under the Commonwealth system are based on the effective temperature at 9.0 a.m. on a January morning. They therefore take no account of the comparatively pleasant winter climate, or perhaps at Carnarvon one might say the ideal winter climate. I would therefore reduce those amounts considerably although in doing so I have to bear in mind that this portion of the district allowance we are prescribing is to compensate for those other matters I have mentioned as well as the physical discomfort of working and living in a tropical climate. I would allow under this head the following amounts—

| | Per Week. |
|---|---|
| | s. d. |
| Area No. 4 .... .... .... .... | 2 0 |
| Area No. 5 .... .... .... .... | 10 0 |
| Area No. 6 .... .... .... .... | 15 0 |

The other main factor to be considered is that of isolation. Under this heading may be grouped the disadvantages due to the distance of these areas from the capital city, the smallness of the population, the transport facilities available, the lack of amenities that would normally be available in the Kalgoorlie-Boulder area or in the metropolitan area. The lack of dental and optometric services, and of specialist medical attention when needed. The increased costs involved in the secondary education of children and the increased costs of holidays for the worker and his family. Again the majority of these matters are not capable of precise calculation of the proper monetary compensation and once again I have used as a guide those portions of the Commonwealth Allowances for unmarried workers attributable to the points allowed for the isolation factor. Those amounts are—

| | Per Week. s. d. |
|---|---|
| Area No. 4 .... .... .... .... | 9 8 |
| Area No. 5 .... .... .... .... | 13 0 |
| Area No. 6 .... .... .... .... | 22 9 |

However once again I think that the Commonwealth points system, allows proportionately too great an allowance to Carnarvon as compared with the other areas. Carnarvon can generally be reached by road from Perth in two days, it has a modern hospital and a Junior High School and its size and present rate of growth is such as to diminish to a considerable extent the disadvantages of this factor of isolation. The amounts I would allow are as follows:—

| | Per Week. s. d. |
|---|---|
| Area No. 4 .... .... .... .... | 3 0 |
| Area No. 5 .... .... .... .... | 10 0 |
| Area No. 6 .... .... .... .... | 15 0 |

The tentative allocations I have made under the three heads discussed are thus as follows:—

| | Cost of Living. s. d | Climate. s. d. | Isolation. s. d. | Total. s. d. |
|---|---|---|---|---|
| Area No. 4 .... | 25 0 | 2 0 | 3 0 | 30 0 |
| Area No. 5 .... | 41 6 | 10 0 | 10 0 | 61 6 |
| Area No. 6 .... | 44 0 | 15 0 | 15 0 | 74 0 |

As I have said those allocations were tentative only. In dealing with the clothing factor I have already pointed out why I consider that the fact that winter clothing is not required in the North to the same extent as in the South, but in deference to the strong views of one of my colleagues in regard to this matter particularly in respect of Areas No. 5 and No. 6 I am prepared to reduce the allowance for the cost of living factor in these two areas to 40s. in each case. That means that my final conclusion as to the district allowances that should be prescribed is as follows:—

| | Per Week. £ s. d. |
|---|---|
| Area No. 4 .... .... .... | 1 10 0 |
| Area No. 5 .... .... .... | 3 0 0 |
| Area No. 6 .... .... .... | 3 10 0 |

Before concluding my discussion of these allowances there are two other matters that I should mention. As will be seen from the above tables the greater part of the allowances I consider should be prescribed are caused by the increased cost of living. There are a number of workers under this Award, viz. those living in messes either provided by the department or arranged by the workers themselves, to whom the general increase in the cost of living in these areas, particularly in relation to rent, has no application or a much reduced application. The question thus arises as to whether such workers should be paid the full allowance fixed for the ordinary worker or whether a differential scale of allowances should be prescribed. However there was no application made by either party for such a differential scale nor has such a scale ever been prescribed in the past and as the Court has not had the advantage of hearing argument on the matter I consider that such a new principle should not be introduced at this stage. However I think liberty to apply should be granted in respect to the matter.

One other matter also caused me some anxious thought. Area No. 5 is very large and includes in it towns as widely distant from each other as Onslow and Halls Creek. I thought at first that there should perhaps be separate areas prescribed for the coastal towns and the areas within a radius of say fifty miles from each port on the one hand and the remaining inland area which would include Halls Creek, Fitzroy Crossing, Marble Bar and Nullagine on the other. However we made no inspections and heard no evidence from the inland area and in fact the number of workers in that inland area would at the present time be very few. Furthermore there was no application from either party for such a division of Area No. 5 and for these reasons I have on further consideration concluded that the Court should not on its own motion make such a provision in these proceedings. The matter can be left for the parties to consider in any future application.

The application to amend also sought variations in two other clauses of the award—the application to amend Clause 47 the Wages clause to make provision for bridge and jetty carpenters was by agreement of the parties held over pending the result of another application in reference to another award and liberty to apply will be granted in regard to this matter. The only other matter was an application to amend the Clause 3—the Area and Scope clause, and as at the hearing the advocate for the Ministers stated that they had no objection to the amendment sought the application in regard to this matter will be granted.

MR. DAVIES: I agree.

MR. CHRISTIAN: In this application the union sought an increase in district allowance on the following main grounds:—

1. Increased cost of living.
2. Climatic conditions.
3. Isolation and lack of amenities.

Dealing with the first ground, comparison was sought with the Goldfields areas because the basic wage which applies to these areas is also applicable in the areas under review. The union established by evidence, more or less satisfactorily, that food and grocery items contained in the regimen used for the "C" Series Index, on the whole cost more than in Kalgoorlie. It also brought evidence as to the cost of certain other items among them, cigarettes, beer, newspapers, a few items of clothing, electric light and power and medicine, all of which are included in the regimen but comparison was not made with Kalgoorlie for all these items. Evidence was brought regarding the cost of dry cleaning and other items not included in the regimen, but this was of no use to me because when making comparisons of this type like must be compared with like in the regimen.

Evidence was also brought regarding rentals of S.H.C. houses but as this type of house is not included in the regimen this evidence was also of no use for the same reason. In his address Mr. Cant, for the Union, submitted broadly that he had shown increases in costs of some items in the regimen and that the other items would show similar increases therefore the Court should include in the district allowance an amount to cover such increased costs.

Now I disagree with Mr. Cant on two main grounds.

1. Family unit: No evidence was brought by the union as to the size of the family unit compared with the Goldfields areas and as this is a vital factor in determining the basic wage any difference in the size of the average family would materially affect the cost of living.

2. Pattern of consumption: There was no evidence that the regimen used for the "C" Series Index was applicable in the areas under review. For example fares would not be payable at all, pork and mutton are unobtainable in certain of the areas, clothing worn is different altogether for men, women and children from the regimen and in fact the standard dress for men and boys in the North, i.e. shorts and sandals, is not even mentioned in the regimen whilst heavy winter clothing is rarely if ever seen north of Carnarvon. In the absence of any evidence as to the types and quantities of food, groceries and miscellaneous items and rental for B/W type houses used in the areas under review I am not prepared to say whether or not the cost of living is higher or lower there than in the Goldfields areas. It is interesting to note that in application 90 of 1949 which has come to be known as the 1950 District Allowance Case the Court after hearing evidence very similar to that which we heard unanimously found itself in the same position as I am now, and at pages 104-110 of the transcript the then President, Mr. Justice Jackson, discussed the Court's difficulties with Mr. Oliver for the Union. The result was that some 4½ months later Mr. Cant appeared in lieu of Mr. Oliver and withdrew the union's application.

There is one other matter which I would like to mention and that is the question of jurisdiction. This was not discussed in this application though it was in the 1950 hearing, and in that case decision on the question was reserved but owing to the later withdrawal of the application no decision was given. As there is at least a doubt regarding the powers of the Court to grant an allowance for increased cost of living in view of Section 123 of the Act I think this question should have been raised for clarification.

Dealing with Mr. Cant's grounds Nos. 2 and 3 I find myself in this position: My colleagues have decided on certain amounts under these headings which are in toto less than the existing total allowances, and whilst I do not necessarily agree with my colleagues or the respondent who, in his answers, agreed to the existing rates I think that in view of the respondent's answer the existing rates should stand.

Finally my colleagues have granted increases ranging from 15s. to £1 12s. per week and it seems to me that the policy of the State Government to endeavour to attract industries to the North West will be prejudiced by the fact that because of such heavy increase in Government costs for services the extent of such services must of necessity be curtailed because of lack of funds.

THE PRESIDENT: The award will be amended in accordance with the decision of the majority of the Court.

MR. CANT: There has been no discussion between the parties as to the date of operation of the amendment. The next pay period in these industries will commence on the 2nd January. I feel that the respondents, in view of the wide nature of this application, should have time to put the decision into operation. I have not discussed it with Mr. Jones to find out when he wants it to operate from.

MR. JONES: I ascertained from the various departments the various pay periods. Firstly I thought a convenient date would be the 1st January little realising that that was a holiday; but it seems the matter has not been adjusted since 1930 and I thought that was rather an auspicious date. I think the next pay period commences on the 2nd January and that would be a good date from which it could be applied.

THE PRESIDENT: Very well it will be dated from the 2nd January.

*Decision Accordingly.*

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IN THE COURT OF ARBITRATION OF WESTERN AUSTRALIA.

No. 93 of 1958.

Between Australian Workers' Union, Westralian Branch, Industrial Union of Workers, Applicant, and Hon. Minister for Works, and others, Respondents.

HAVING heard Mr. H. Cant on behalf of the Applicant and Mr. H. A. Jones on behalf of the respondents, the Court, in pursuance of the powers contained in section 92 of the Industrial Arbitration Act, 1912-1952, doth hereby order and declare that Award No. 35 of 1952, as amended, be and the same is hereby further amended in the terms of the attached Schedule.

Dated at Perth this 22nd day of December, 1958.

By the Court,

[L.S.] (Sgd.) R. V. NEVILE,
President.

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Schedule.

1. Clause 3—Area and Scope.—Add a new paragraph after paragraph (d) as follows:—

(e) The construction, maintenance and/or demolition of wharves, jetties, breakwaters, moles, retaining walls, approaches and all sheds or buildings on or about wharves or jetties, but excluding that area of the State covered by Award No. 24 of 1953.

*Western Australian Industrial Gazette*

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# Western Australian Industrial Gazette

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Sub-Part 2 WEDNESDAY, 27th AUGUST, 1980 Vol. 60—Part 2.


## GENERAL ORDER—Section 50—

District and Location Allowances—

BEFORE THE WESTERN AUSTRALIAN INDUSTRIAL COMMISSION.

No. 294 of 1977.

Between, Hospital Employees' Industrial Union of Workers, W.A., Applicant, and The Hon. Minister for Health and Others, Respondents.

No. 319 of 1977.

Between, The West Australian Shop Assistants and Warehouse Employees' Industrial Union of Workers, Perth, Applicant, and Elder Smith Goldsbrough Mort Limited and Others, Respondents.

No. 320 of 1977.

Between, The West Australian Shop Assistants and Warehouse Employees' Industrial Union of Workers, Perth, Applicant, and The State Energy Commission of Western Australia, Respondent.

No. 321 of 1977.

Between, The West Australian Shop Assistants and Warehouse Employees' Industrial Union of Workers, Perth, Applicant, and The Premier of the State of Western Australia and Others, Respondents.

No. 529 of 1979.

Between, Electrical Trades Union of Workers of Australia (Western Australian Branch), Perth, Applicant, and The Electrical Contractors' Association of Western Australia (Union of Employers) and Others, Respondents.

Before the Commission in Court Session.

The Senior Commissioner, Mr E. R. Kelly and Mr Commissioners G. J. Martin and G. A. Johnson.

The 30th day of May, 1980.

Mr J. A. McGinty and Mr A. R. Beech on behalf of the applicants and the Trades and Labor Council of Western Australia (intervening).

Mr B. P. McCarthy and later Mr G. R. Gillies on behalf of respondents in applications No. 319 of 1977 and 529 of 1979.

Mr K. S. Payne and Mr P. J. Kelly on behalf of the respondents in applications No. 294, 320 and 321 of 1977.

Mr R. A. Date on behalf of certain employers engaged in or operating in the mining industry (intervening).

Mr J. K. Bryant on behalf of Goldsworthy Mining Limited (intervening).

*Reasons for Decision.*

MR COMMISSIONER KELLY: This is the unanimous decision of the Commission in Court Session.

The applications, with the exception of No. 529 of 1979, were the subject of an interim decision and orders by the Commission in Court Session differently constituted, on the 7th day of July, 1978. (58 W.A.I.G. pages 938 and 939.)

Application No. 529 of 1979 relates to the "Electrical Contracting Industry" Award No. R22 of 1978 as amended (59 W.A.I.G. p. 314) and issued on the 27th day of February, 1979, and which replaced the "Electrical Contracting Industry" Award No. 28 of 1973 as amended, to which application to amend No. 324 of 1977 related in the proceedings leading to the interim order of the 7th day of July, 1978.

The interim decision of the 7th day of July, 1978, relates in brief the basis of the applications and the history of previous applications to vary district allowances. It also refers to the constitution by the Commission in Court Session in 1977 of a "working party" comprising representatives of the parties and the interveners. That "working party" was given the task of amassing all of the relevant documentary material which would ultimately be put before the Commission in Court Session and agreeing upon the facts so to speak, prior to a formal hearing.

It was also hoped that in a committee situation the parties, with the assistance of the chairman, a member of the Commission in Court Session, might be able to reach a consensus upon not only the facts of the matters but the extent to which those facts may indicate a resolution of the matters of difference between the parties.

30691—1

To some extent that result was achieved in that upon the factors of isolation and climatic conditions the working party came very close to a consensus upon the facts but was unable to express a result in quantitative terms.

Upon the cost of living factor the consensus was reached that existing data was insufficient to provide any conclusions and further that the prospect of collecting sufficient data was extremely remote if not impossible. Notwithstanding that situation the applicants and the private employer respondents did, during the course of the hearing before the Commission in Court Session, finally undertake arithmetical exercises to give some quantitative expression of the collected data.

The material collected by the working party was extensive and probably includes all of the types of documents that could be hoped to be assembled on the subject of district allowances.

The list of such exhibits is contained in the following schedule which is itself an exhibit.

LIST OF EXHIBITS EX WORKING PARTY

1. Climatic discomfort in W.A.
2. The nature of thermal comfort for sedentary man.
3. An effective temp. scale based on a simple model of human physiological regulatory response.
4. Physiological principles, comfort and health.
5. Calculation of climatic discomfort in W.A.
6. Building climatology.
7. Determination of comfort zones for Australia.
8. A survey of flooding in W.A.
9. Tropical cyclones in the Australian regions, 1909-1975.
10. Rural Affairs Enquiry—Interim Report.
11. Report of the Commissioner for Consumer Affairs—Rural Affairs Enquiry.
12. Report of the District Allowance Sub-Committee—Australian Public Service Joint Council.
13. School Teachers' Tribunal Decision, 1976.
14. Climatic Averages—Western Australia.
15. Government Analysis of Climatic Data presented by Unions.
16. Determination of comfort zones for W.A.
17. The thermal sensations of sedentary man in moderate temperatures.
18. Dust measurement in Perth Metropolitan Area and Country Areas.
19. Northern Housing in W.A., June, 1976.
20. An examination of factors affecting the cost of living in the Pilbara.
21. Extracts from Kimberley Report—Consumer Affairs Bureau.
22. A.B.S.—Relative retail prices of food in certain localities.
23. W.A.I.T.—Aid.
24. S.H.C. Rental Information.
25. Petrol prices in W.A.
26. Climatic Comfort Indices.
27. CPI expenditure classes.
28. Electricity and gas charges and availability, 1978.
29. SGIO Insurance information.
30. Report on standard area system for W.A. ABS.
31. Principal roads of W.A.
32. District Allowances applying to other workers.
33. Transport.
34. Libraries.
35. Population.
36. Medical and Health facilities.
37. Education.
38. Communications.
39. Aust. North-West (Kerr).
40. Women's health in isolated communities.
41A 3 Vols. Living in remote tropical communities.
41B Survey of Local Authority facilities.
42. Dominance of Giants.
43. District Allowances Working Party Compendium. (Exhibit 44.)

Other exhibits entered during the proceedings either updated or replaced some of the previous exhibits.

Applications Nos: 293, 320 and 321 of 1977. (Government Employees.)

The Commission in Court Session was informed by the applicants and the representative of the government employers, the respondents to these applications, that agreement had been reached, with one minor exception, upon the terms of the variations to be made in determination of the applications.

In essence those parties will apply the provisions of the determination of the Public Service Arbitrator as amended, of the district allowances payable to public servants.

The matters so agreed upon were set out in a document tendered to the Commission.

The minor matter of difference left between those parties relates to the amount of reduction to be effected to the district allowances in the cases where the employer provides board and/or lodging to an employee without charge to the employee. The parties put argument before the Commission on that matter. The applicant contended that the amount of reduction should be 25 per centum and the respondent 33.1/3 per centum in the areas in the document tendered, identified as four, five and six and 50 per centum in those areas designated thereon as one, two and three.

The Commission in Court Session told the parties that it would decide upon their submissions after it had heard the parties to the other applications upon the same issue.

The Commission's determination on that issue for all applications appears after that part of this decision dealing with the quantum of district allowances generally.

Applications Nos: 319 of 1977 and 529 of 1979. (Private Industry Employees.)

The original applications filed sought to create eight district allowances areas in lieu of the existing six areas with amounts allocated thereto ranging from $5 per week in the case of area 1 to $55 per week in the case of area 8.

At that time, June 1977, those claims compared with amounts of nil in the case of area 1 to $7 per week in area 6.

(See for example the "Electrical Contracting Industry" Award No. 28 of 1973 as amended, as recorded in 54 W.A.I.G. p. 608 at page 616.)

As a matter of record the interim decision of the Commission in Court Session of the 7th day of August, 1978, increased the amount of $7 per week in area 6 to $16 per week. (58 W.A.I.G. p. 938.)

In the proceedings before us the applicants argued that the district allowances be allocated by towns in lieu of areas and should range from $1.90 per week in the case of Busselton (an area 1 town) to $48.10 per week in the case of Wyndham (an area 6 town). (Exhibit 50.)

That range of figures is derived from the applicants' quantitative exercise and comparisons with district allowances applicable to public servants,



both State and Commonwealth, Western Australian school teachers and Commonwealth and Private Banks.

The respondents by a quantitative exercise argued for a range of nil in area 1 to $21 or $16.92 in area 6.

The method used by the respondents to obtain alternatives for area 6 involved a discounting of factors to allow for improved conditions and the respective figures for area 6 depend on whether such discounting should relate to the cost of living factor alone or to the climate and isolation factors as well. (Exhibit 51.)

The applicants whilst having presented its arithmetical exercise to the Commission were basically submitting that the most equitable and logical determination of their claims lay in the terms of the agreement they had achieved with the respondent government employers.

As a matter of convenience the arguments of other persons appearing are next recited.

*The Interveners—Goldsworthy Mining Limited.*

On behalf of this employer, intervening, it was argued that an order increasing the present levels of district allowances should not apply to it, as was the case with the iron ore mining industry generally in the interim decision of the 7th day of August, 1978.

That argument was supported by a very detailed analysis of the amenities provided by the employer to its employees by way of air conditioning in homes, quarters, messes, club, canteens and shopping centres, many work places and items of mobile plant, and those facilities themselves, additional annual leave, annual leave travel assistance, subsidised housing, water and electricity and so on being forms of assistance not shared by other employees in the north west except others in the iron ore mining industry and some other mining industries.

The Commission was also told that the latest agreement on wages and conditions of employment concluded between the employer and the unions acting on behalf of its employees has maintained the district allowance at the rate of $6 per week and housing rentals and other charges have not been increased.

(The rate of $6 per week was determined for area 6, which embraces the intervener's three sites of operations, by the Court of Arbitration in 1958) (38 W.A.I.G. p. 691 at p. 692.)

The Commission in these proceedings is not called upon to make any order against the intervener but does observe that there are no grounds for anyone to expect that the present district allowances paid by the intervener should be varied unless some quite dramatic changes are made by it to existing arrangements to the detriment of its employees.

*Other mining interests and firms associated therewith.*

The case for these interveners, being variously engaged in the mining and processing of iron ore, salt, gold, nickel or associated engineering maintenance, was also for an exclusion from any general order which may result from the Commission in Court Session's determination of the applications.

That main submission was expressed in the following terms:

> We will be asking on this occasion that the Commission exclude from any increased rates of district allowance it may order, those persons employed under any award of the Commission who receive the benefits or advantages applicable to a worker employed by an employer in the mining industry or who receives benefits and advantages substantially equivalent to the benefits and advantages applicable to a worker employed by an employer in the mining industry. (Transcript notes of proceedings p. 63.)

The detailed submissions in support of that general plea can be summarised as

*A similar attitude adopted towards the iron ore mining and processing industry in the interim decision of the 7th day of August, 1978, when it stated

> Finally in relation to those awards not before us, we indicate that whether or not this decision should have application will depend upon the circumstances of each industry. In the special case and we example the iron ore production and processing industry, we would not intend that an interim order should issue. (58 W.A.I.G. p. 938 at p. 939.)

*The views of the Commission in Court Session when it increased district allowances in 1972 and said *inter alia*

> "However in the course of the last 14 years, there have been increases in the rates of district allowance payable to State Public Service Officers, employees of the Government and local government officers and bank officers employed under Federal awards in Western Australia. In the absence of any evidence which would indicate that there has been a significant relative improvement in relevant conditions of employment of the workers to whom the present applications relate the fact that the foregoing increases have occurred appears to me to be a factor which in the absence of any countervailing circumstances would justify a revision of the rates presently prescribed. Having regard for those increases and for changes in the cost of living which have occurred since the present rates were fixed I would increase each of the rates prescribed in the awards before us by 50 per cent.
>
> In view of the reasons for which the present increase is awarded it will be apparent that workers whose conditions of employment are significantly better in relevant aspects than those of the workers the subject of these applications should not have their expectations aroused by the decision in present cases. (52 W.A.I.G. p. 960 at p. 961.)

*The action of the government employer respondents in coming to terms with the applicants should not and in fact does not establish criteria for the proper fixation of district allowances in the private sector of industry.

*The WAIT-Aid Limited survey of "mining" and other towns (Exhibits 23 and 49) demonstrated the cost of living advantages of the mining towns compared with those other towns.

*Other material entered by way of exhibits clearly showed that living conditions and amenities in the north west had improved since 1958 (the last Court of Arbitration review of district allowances) and 1968 (the last Public Service review of district allowances) and the continued updating of those allowances took no account of those improvements.

*The norwest areas in which mining operations were conducted were no longer isolated in the sense of what obtained or didn't obtain by way of transport and communication facilities 1958 *vis-a-vis* 1979.

- A detailed list of annual leave, monetary subsidies, amenities and schemes of assistance provided to mining industry employees, both for the living and the working environment.

*The Private Employers*

The private employers expressed many of the views which had been propounded by the intervenors, particularly those relating to the changes which have taken place for people living and working in the north west of the state, and the notice to be taken or not be taken of the agreement between the applicant and the government employers to increase the rates of the district allowances for wages employees to the same levels as apply to the government "white collar" employees.

The private employers urged upon the Commission that there were no objective reasons why the existing geographical district allowance areas should be altered or broad banded and no substantial reasons had been shown why the rates of district allowances should be increased and that if such were to occur the amount of increase should be looked at on an industry by industry basis.

The 1958 Public Service arbitration was considered to be "11 years out of date" and the perpetuation of its foundations by the application of the consumer price index seemed to be anomalous and manifestly unjust.

In 1968 it was submitted, there was not the extent of development which has occurred since and that any new fixation should pay full regard to all of those developments.

Concern was expressed that after so much work had been put into the matter by the working party it appeared that the result may be no more than an exercise in comparisons.

Upon the emphasis to be given to the material before the Commission it was submitted that

(1) The proportion of the existing district allowances which climate represented should be reduced due to improved facilities such as air conditioning, swimming pools and the like.

(2) Similarly the isolation factor should be reduced by virtue of the extensions and improvements in roads, air travel frequency, communications, education facilities, medical facilities and other community comforts.

(The details of those reductions were explained in Exhibit 51.)

(3) That in respect of cost of living the 1958 Court of Arbitration base was to be updated, as best it could, to 1979 levels by the application of the Consumer Price Index in preference to updating the 1972 fixation by the Commission in Court Session. The results of those calculations are also set out in Exhibit 51.

Submissions were directed to the applicants latest calculations, with the main criticisms being of the use of average weekly earnings as a quantum of monetary expression for the application of the applicants' method, the use of food prices as an indicator of prices generally (household commodities for example) and the equal weighting given by the applicants to the factors, isolation, climate and cost of living.

*The Commission's Task*

The applicants' seek a determination of the districts for which allowances are to be prescribed and the quantum of such allowances to compensate employees for living and working in places in which they experience a disadvantage because of harsher climatic conditions and/or isolation from more densely settled communities and/or additional costs incurred compared with employees living and working in the Perth metropolitan area.

Determinations have been made previously by the Commission and the Court of Arbitration before it but it appears fairly clear that there has not been a previous occasion in which the arbitral body has been provided with so much relevant material as the parties have amassed on this occasion.

To what extent do past determinations assist the Commission in its present task?

An analysis of those determinations discloses that the answer to that question must be—not greatly.

*Past Determinations.*

The most comprehensive review of district allowances by the Court of Arbitration was in 1958 and the bulk of the visual and verbal evidence taken was in respect of towns north of the 26 degree parallel of south latitude with quantitative results being compiled statistically for other parts of the state.

The decision in that matter (No. 93 of 1958, an application to amend the "Australian Workers' Union Government Construction and Maintenance" Award No. 35 of 1952, 32 W.A.I.G. p. 433) of the 22nd day of December, 1958 includes a history of previous determinations on district allowances from 1923. (38 W.A.I.G. p. 684 at p. 685.)

The 1958 decision is also noteworthy in that it sets out the component parts of the allowances prescribed for each area being cost of living, climate and isolation and the cost of living factor is dissected into the amounts of money allocated to groceries, clothing and rent.

That decision was subject to "review" in matter No. 44 of 1959 on exercise of a liberty to apply provision in respect of district allowances in the "Local Governing Bodies Officers (Rest of State)" Award No. 15 of 1957. Those proceedings were limited to local authorities in the North West of the State and the Court of Arbitration's decision dealt with specific towns against the background of its 1958 decision (41 W.A.I.G. p. 750.)

Both of those determinations of district allowances used Kalgoorlie as the datum point of comparison, that town being the statistical base for the Basic Wage then prescribed for that part of the State outside of the South West Land Division.

The "Basic Wage" Case before the Commission in Court Session in 1964 dispensed with the three basic wages for the Metropolitan, South West Land Division and Rest of State areas and prescribed one basic wage for the whole of the state.

In that matter it was said *inter alia*—

Today we are faced with the fact that the Consumer Price Index only reflects the movements for the various capital cities and to that extent, the present basic wage differences between the various areas throughout the state must gradually widen without such widening being in any manner a true reflection of index figure for these particular areas ...... (Since 1960, a price index figure only applicable to the Metropolitan area had been available for basic wage adjustment purposes). (44 W.A.I.G. p. 546 at p. 562.)

Further it was said

The question of district allowances and the considerations which should be given to these matters were also ventilated during the proceedings. Whether or not a fixation of one wage for the state will require a review of any district allowances is matter for the future, but without expressing any definite conclusions on this point it may be worth considering that the existing district allowances if left unchanged will provide some degree of future stability on this item irrespective of changes in money values. (44 W.A.I.G. p. 545 at pages 562 and 563.)

The Court of Arbitration in 1958 thus had available to it a greater range of officially collected statistical material upon price indices than has the Commission as presently constituted, a deficiency, which it will become apparent, has severely hampered the parties and the Commission in a quantitative analysis of the problems before them.



Variations of the district allowances in awards of the Commission since 1958 were described by the Commission in Court Session in its interim decision of the 7th day of July, 1978 as follows:

In 1972 (52 W.A.I.G. 960) the 1958 allowances were increased, the Commission in Court Session stating—

In the absence of any *evidence* which would indicate that there has been a significant relative improvement in relevant conditions of employment of the workers to whom the present applications relate the fact that the foregoing increases (in district allowances for State Public Service officers, Local Government officers and bank officers) have occurred appears to me be a factor which, in the absence of any countervailing circumstance, would justify a revision of the rates presently prescribed. Having regard to those increases and for changes in the cost of living which have occurred since the present rates were fixed I would increase each of the rates prescribed in the awards now before us by 50 per cent. (At page 961.)

In 1977 (57 W.A.I.G. 807) the district allowances in a building trades award were increased "having regard to the 1972 decision of the Commission in Court Session and the movement in the prices of goods and services since that decision".

We are not aware of any other award which contains those "1977 allowances" and some awards, including two of those now before us, still prescribe the "1958 allowances".

We accept that the movement in prices since 1958 and 1972 has been such that interim orders should issue. In so deciding we do not consider that the orders will make our eventual task any more difficult or that it will be to the prejudice of employers.

In fixing the allowances awarded we have used the 1958 finding of the Court of Arbitration as the basis, declined to alter the amounts then fixed for climate and isolation but adjusted the amounts stated therein for food and groceries, clothing and housing rentals in accordance with the movement in the Consumer Price Index for each of these groups. Those adjusted amounts have been discounted to an extent for it would appear from the information before the working party that the differences between prices in Perth and prices in towns in the North West are somewhat less today than in 1958.

Other allowances have been moved in cognisance with that fixed in 1958 for "Area 4". (58 W.A.I.G. p. 938 at p. 939.)

Whilst dealing with decisions of arbitral authorities in Western Australia upon the subject of district allowances mention should also be made of the decision of the Public Service Arbitrator in award No. 21 of 1968 of the 19th day of July, 1978, and the updating thereof, forming as it does a ground upon which the applicants rely.

Whilst that decision provides some entertaining commentary upon the arbitrator's impressions of the north west and eastern goldfields areas resulting from the inspections conducted in that matter it provides little in the way of statistical analysis or quantitative allocation on the relevant factors to be considered and the result was a finding that

In view of the considerations which have been dealt with in some detail, I conclude that the Public Service Commissioner's offer on the cost of living is fair and reasonable and subject to its being brought up to date in accordance with the latest available Consumer Price Index figure, it will be incorporated in the Award. A similar finding will apply in respect of the allowance for isolation but as regards the climatic factor, I propose to allow an increase of $50 per annum as compensation for the aggravated dust nuisance at Port Hedland which will involve the inclusion of that town as an Exception to the "Standard Rate" applicable to District No. 5, and a further increase of $25 per annum, as more adequate recognition of the disability suffered by the ravages of insect pests in Districts Nos. 4, 5 and 6 and to the centres listed as "Exception Towns" in District No. 3. (48 W.A.I.G. p. 468 at p. 474.)

The Public Service Commissioner's offer was described in summary earlier in the decision as

On the other hand the method adopted in the compilation of the Counter-proposal demonstrates the continuance of its close relationship to the A.W.U. Government Construction and Maintenance Award 1958, the scale there decided for Districts 4, 5 and 6 for which that Award specifically provided and for Districts 2 and 3, which was subsequently fixed by agreement, having been upgraded (to the 30th September, 1967) in accordance with movements in the official consumer price index figure ascertained by the Bureau of Census and Statistics, by which process the Public Service Commissioner has arrived at the following analysis:—

| District | Climate $ | Iso-lation $ | Cost of Living $ | Total $ |
|---|---|---|---|---|
| 6 | 165 | 163 | 322 | 650 |
| 5 | 126 | 125 | 274 | 525 |
| 4 | 23 | 37 | 160 | 220 |
| 3 | | | | 180 |
| 2 | | | 124 | 124 |

(48 W.A.I.G. p. 468 at p. 469)

The 1968 Public Service district allowances relate to that basic pattern of the 1958 Court of Arbitration decision by virtue of the following arithmetic for a married officer

| 1958 | | $ |
|---|---|---|
| Area 6 | Isolation | 1.60 (Single employee) |
| | Climate | 1.50 (Single employee) |
| | Cost of Living | 4.00 |
| | | 7.00 |

(June Quarter 1958 "C" Series Index).

| 1968 | | $ | $ |
|---|---|---|---|
| | Isolation | 1.90 x 2 = | 3.80 |
| | Climate | 1.90 x 2 = | 3.80 |
| | Cost of Living | | 5.00 |
| | | | 12.60 x 52 1/6 = $657 per annum. |

(June Quarter 1968 Consumer Price Index).

Public Service Arbitrator's Award: $680 per annum. (48 W.A.I.G. p. 468 at p. 475.)

| 1958 | | $ | |
|---|---|---|---|
| Area 5 | Isolation | 1.00 | |
| | Climate | 1.00 | |
| | Cost of Living | 4.00 | |
| | | 6.00 | |
| 1968 | | $ | $ |
| | Isolation | 1.25 x 2 = | 2.50 |
| | Climate | 1.25 x 2 = | 2.50 |
| | Cost of Living | 5.00 | |
| | | | 10.00 x 52.1/6 = $522 per annum. |

Public Service Arbitrators Award: $555 per annum.

| 1958 | | $ | |
|---|---|---|---|
| Area 4 | Isolation | 0.20 | |
| | Climate | 0.30 | |
| | Cost of Living | 2.50 | |
| | | 3.00 | |
| 1968 | | $ | $ |
| | Isolation | 0.25 x 2 = | 0.50 |
| | Climate | 0.38 x 2 = | 0.75 |
| | Cost of Living | 3.15 | |
| | | | 4.40 x 52.1/6 = $229.5 per annum. |

Public Service Arbitrator's Award: $2.50 per annum.

A variation to the 1968 Public Service District Allowance Award in June 1971 adjusted the 1968 allowances by the application of the Consumer Price Index for the March quarter 1971. (51. W.A.I.G. p. 695 at p. 699.)

In 1973 by virtue of the Public Service Allowances Agreement No. 5 of 1973, executed on the 30th day of March, 1973, new rates of district allowances were set for public service officers.

Those rates exceeded the application of the December Quarter 1973 Consumer Price Index to the 1971 rates by $84 in the case of the rate of allowance for area 6 and by $20 in the case of the allowance for area 2. (53 W.A.I.G. p. 477 at p. 478.)

That agreement also provided that the rates of district allowances be adjusted every 12 months in accordance with variations in the official Consumer Price Index for Perth as published by the Commonwealth Bureau of Census and Statistics (Clause 5.—Adjustment of Rates: 53 W.A.I.G. p. 477 at p. 478). That pattern, the Commission's researches show was followed except that

(a) the adjustment effective from the 1st day of January, 1975 exceeded the result of the application of the Consumer Price Index by $102 in the case of area 6 and by $9 in the case of area 2.

(b) The adjustment effective from the 1st day of January, 1976 exceeded the result of the application of the Consumer Price Index by $34 in the case of area 6 and by $8 in the case of area 2.

The Commission has undertaken this rather detailed analysis to underline that the Public Service rates of district allowances, are firmly founded upon a basis of fixation arrived at over 20 years ago.

The 1976 decision of the Western Australian Government School Teachers Tribunal in the matter of an appeal by the State School Teachers' Union of Western Australia Incorporated against the Determination by the Hon. Minister for Education of district allowances to be paid to teachers in the Education Department, published in the *Government Gazette* of the 29th day of November 1974, is similarly founded and subject to the same criticisms as have been made of the Public Service district allowances.

The Commission need only make a cursory examination of the exhibits before it to reach the conclusion that much has happened in those 20 years and particularly in the last decade thereof to call in question that basis of fixation.

That conclusion militates against the use of the Public Service rates of district allowances as an objective test of the adequacy or otherwise of the existing rates prescribed in the awards now before the Commission.

That the parties to the Public Service Agreement No. 5 of 1973 chose not to vary the rates of district allowances to reflect the changes which have made many localities in the district allowance areas less isolated and less the subject of the rigours of climate for employees living and working therein, should not deter the Commission from objectivity in the appraisal of the substantial merits of the cases before it.

The Commission considers that if the test of adequacy is simply to be a case of comparisons with what other employees receive the whole exercise undertaken by the Commission and the parties over the past two years has been a pretence and a complete waste of time and the answer on that criterion could have been given well before the date of the interim decision of the 7th day of July, 1978.

The Commission feels obliged, to grasp the nettle as the saying goes and try to find an objective and logically acceptable answer to the matters of difference between the parties based upon all of the material placed before it though it recognises the difficulty placed in its path by the lack of detailed statistics relating to the cost of living.

(a) *The Districts or Areas for allowances to compensate for climatic conditions, isolation and additional costs of living.*

By and large for the purposes of prescribing district allowances, in awards and industrial agreements, the state is divided into six areas.

Most of the awards and industrial agreements in the private sector of industry provide as in the "Licensed Stores (Retail)" Award No. 8 of 1972 as amended by virtue of Order No. 318 of 1977 of the 7th day of July, 1978 (58 W.A.I.G. p 940).

Those areas in essence do not provide any district allowances for the South West Land Division of the State, Kalgoorlie, Boulder or Southern Cross.

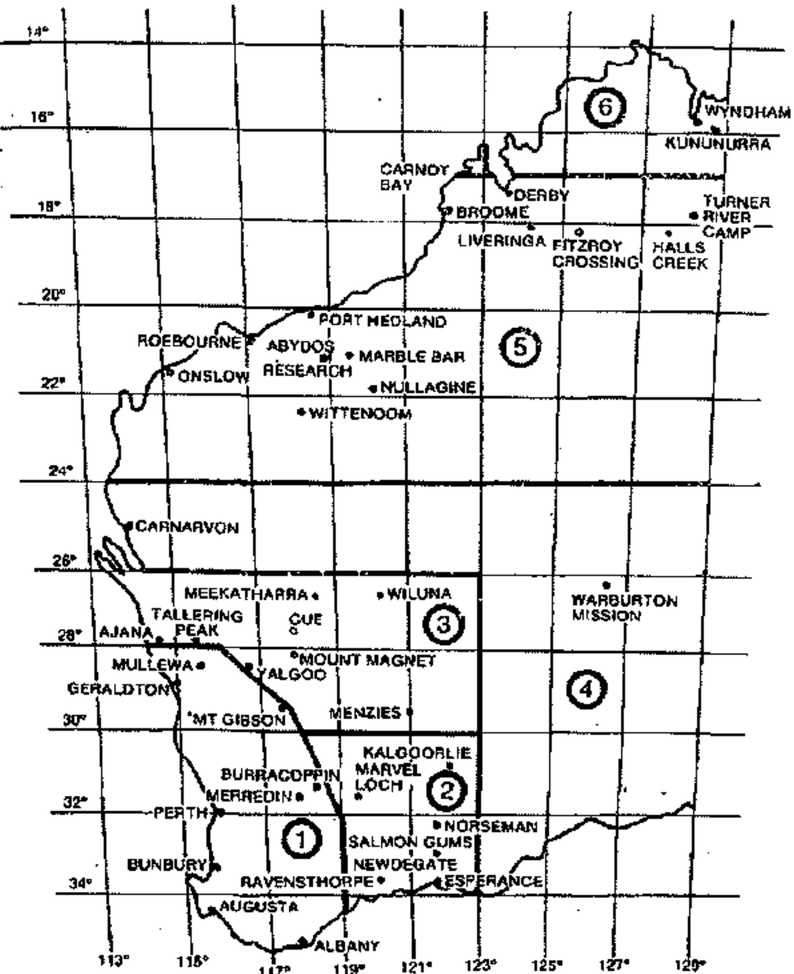
The areas (also six in number) for the Public Service district allowances are the same for areas 1, 4, 5 and 6 of the private sector and more definitive for the other areas. In the result there are Public Service district allowances for Kalgoorlie, Southern Cross and Boulder.

The Public Service allowance areas are for convenience reproduced on opposite page.

In an endeavour to answer that question the Commission has extracted, from its analysis of the adequacy or otherwise of existing rates of district allowances (and which analysis is set out later in these reasons for decision), the following rankings of certain towns having regard to disadvantages compared with Perth in the categories of prices, climate and isolation.

Table "A" set out hereunder shows those rankings together with the existing private industry "areas" and a tabulation prepared by the applicants.






(60 W.A.I.G. p. 61 at p. 76.)

Table "A".

DISADVANTAGE RANKINGS IN DESCENDING ORDER.

| (1) Commission | (2) Existing Private Industry Awards (58 W.A.I.G. p. 940) | (3) Applicants' (Exhibit 50) |
|---|---|---|
| 1. Kununurra | Kununurra | Kununurra |
| 2. Wyndham | Wyndham | Wyndham |
| 3. Marble Bar | Broome | Wittenoom |
| 4. Halls Creek | Derby | Marble Bar |
| 5. Wittenoom | Halls Creek | Halls Creek |
| 6. Roebourne | Marble Bar | Derby |
| 7. Derby | Onslow | Broome |
| 8. Onslow | Port Hedland | Onslow |
| 9. Broome | Roebourne | Roebourne |
| 10. Port Hedland | Wittenoom | Port Hedland |
| 11. Mt. Magnet | Mt. Magnet | Mt. Magnet |
| 12. Meekatharra | Meekatharra | Meekatharra |
| 13. Carnarvon | Carnarvon | Carnarvon |
| 14. Norseman | Norseman | Norseman |
| 15. Kalgoorlie | Kalgoorlie | Kalgoorlie |
| 16. Geraldton | Geraldton | Geraldton |
| 17. Narrogin | Narrogin | Northam |
| 18. Collie | Collie | Narrogin |
| 19. Northam | Northam | Collie |

Those comparisons reveal a high degree of consistency in the general relativity of most of those towns between the existing structure and the calculations of the Commission and the applicants.

However, the existing structure does not reflect the differences, quite marked, shown on the Commission's scale for example, between towns within the same area.

Area 5 embracing Broome to Wittenoom (3 to 10) does not do justice to towns such as Marble Bar, Halls Creek and Wittenoom, Carnarvon on the other hand is presently over valued being in Area 4, compared with Mt. Magnet and Meekatharra in Area 3, and Norseman an Area 2 town presently is undervalued.

The Commission's scale tends therefore to support the view that broad districts are not the most appropriate line of demarcation and that given the information to enable it to be done, reference to individual towns is the method to be preferred to avoid over and under compensation.

Even that system is not the ideal system when it is borne in mind that different industries generate different living and working conditions.

For example the award which relates to shop assistants is probably catering for workers likely to be permanent residents of a particular town. Housing for those workers may be quite different compared with say hospital employees on a transfer system living in employer provided accommodation of a different style (e.g. air conditioned) or an itinerant construction worker and his family, living in a caravan.

Those situations could only be catered for in the light of the facts on which the Commission has made the abovementioned comparisons.

But they are distinct possibilities which introduce other variable factors not taken into account in the three basic factors upon which the Commission has structured its comparative table of towns (Table "A").

It appears that the most equitable scheme would be the use of that table for each town or locality with an adjustment for the particular features of the industry, as it is conducted in each town.

That line of thinking really militates against a perpetuation of the way in which compensation for disabilities associated with working and living in "remote areas" has been dealt with in the past (except for the situation at Yampi Sound, Wittenoom and Local Government in the North West of the State where the particular industry and locality were looked at individually.)

To that end it appears to us that towns should be dealt with, as earlier herein mentioned, on a basic level only, with additions or subtractions therefrom to be dealt with on an industry or award basis by the Commission otherwise constituted.

Accordingly the view is repeated that in lieu of existing districts or proposed districts for the purposes of disadvantage allowances we should prescribe a base allowance for each town for which there is the necessary statistical material and then allow the parties to any award relating to an industry affected by such an allowance to add to or subtract from the allowance for any particular town according to the conditions of that industry and the manner in which people work and live in that industry in that town.

*The quantum of "disadvantage" allowances.*

Mention has been made earlier in this decision of the methods suggested by the parties to give to each district of the existing district allowances format a quantitative value.

Neither of those methods purport to be statistically pure for it is acknowledged by all concerned that such is not possible without the herculean task of collecting data and constructing indices for a vast area of the State for the first time. The Commission acknowledges that major difficulty and is faced with the following alternatives to test the adequacy of existing allowances.

(1) Update the Commission in Court Session interim decision of July 1978 by the application of the Consumer Price Index for the December Quarter 1979 (285.4).
That would result in the following figures:

| | Per Week $ | Per Annum $ |
|---|---|---|
| Area 1 | Nil | Nil |
| Area 2 | 1.51 | 78.51 |
| | 2.09 | 108.65 |
| Area 3 | 3.14 | 163.28 |
| Area 4 | 8.72 | 453.44 |
| Area 5 | 16.28 | 846.56 |
| Area 6 | 18.60 | 967.20 |

(2) Accept and update the total 1948 fixations of the Court of Arbitration by the application of the Consumer Price Index for Perth. That would produce the following figures on the Consumer Price Index for the December Quarter 1979 (285.4).

| | Per week $ | Per annum $ |
|---|---|---|
| Area 1 | Nil | Nil |
| Area 2 | 1.72 | 89.44 |
| Area 3 | 3.10 | 161.20 |
| Area 4 | 10.30 | 537.16 |
| Area 5 | 20.65 | 1 073.80 |
| Area 6 | 24.09 | 1 252.08 |

(3) Accept the agreement between the applicants and the government respondents.
(4) Accept the applicants' formula (Exhibit 60).
(5) Accept the private employer respondents' formula (Exhibit 51).



(6) Formulate quantities on the principle of comparative wage justice and have regard to the rates of allowances payable by State and Commonwealth Public Services, Private and Commonwealth Banks and the Education Department OR

(7) A fresh analysis of available data.

Putting aside alternative seven the figures pertinent to alternatives (1) to (6) both inclusive are tabulated in the following Table "B".

Table "B".

RATES OF ALLOWANCES PER ANNUM.

| | Interim Order 7/7/1978 | Interim Order of 7/7/1978 updated by C.P.I. | 1958 Order updated by C.P.I. | The Applicants (Exhibit 50) | The Private Employer Respondents (Exhibit 51) | Agreement between Applicants and Government Employer Respondents | State Public Service 1st January 1980 | W.A. School Teachers (Exhibit 45) |
|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ |
| Area 1 | Nil | Nil | Nil | 146 | Nil | Nil | Nil | Nil |
| Area 2 | 68<br>94 | 79<br>109 | 89 | 660<br>832 | 87 | 385 | 417 | 452 |
| Area 3 | 140 | 163 | 161 | 978<br>1 269 | 156 | 530 | 683 | 1 220 |
| Area 4 | 390 | 453 | 537 | 920 | 629 | 842 | 920 | 1 098 |
| Area 5 | 729 | 847 | 1 074 | 1 414<br>2 111 | 671 | 1 664 | 1 830 | 1 907 |
| Area 6 | 832 | 967 | 1 253<br>December Quarter 1979 | 2 512 | 1 092<br>September Quarter 1979 | 2 049 | 2 243 | 2 309 |

Alternative number one whilst it avoided the error of compounding the climate and isolation factors by the Consumer Price Index, suffers the major deficiency of a basis structured well before the many changes which have occurred since 1958 and which have had an effect upon the disadvantages of living and working in remote areas.

From the basic defects this alternative is not considered acceptable and for similar reasons neither are alternatives numbered two, three and five.

Alternative numbered six has been analysed in some detail earlier in these reasons for decision and is also unacceptable.

The exercise by the applicants, alternative numbered four, was an interesting endeavour to come to grips with "an objective method" of assessing a "disadvantage allowance".

It is explained by the applicants as follows:—

In 1974-75 the Australian Bureau of Statistics conducted a Household Expenditure Survey. Average weekly earnings for Western Australia at December, 1974, was $147.40. In the Household Expenditure Survey, a household income falling within the range $140-$200 per week was completely spent. In other words, at the level of average weekly earnings, income equals expenditure.

In 1974-75 Household Expenditure Survey was used as the basis for reconstructing the C.P.I. to accord with average expenditure patterns. The C.P.I. now has 21.026 per cent of its weight given to the food component.

Assuming that a person in receipt of average weekly earnings spends 21.026 per cent of that amount on food, with the June, 1979 figure for average weekly earnings being $228.30, he would spend $48 per week on food.

We have undisputed figures on the retail price of food in a number of country centres. These figures are ranked 0-100 according to their percentage excess over Perth. The maximum excess over Perth is Kununurra with 38.83 per cent. This represents a money amount of $18.63. If 100 points equals $18.63, one point is worth .186 3 cents.

The Australian Public Service Joint Council allow equal maximum weights to be given to the three factors of climate, prices and isolation. If the scores on the 0-100 range for each town for each factor are added and each point given a money value of .186 3 cents, a result can be obtained.

The major shortcoming of this procedure is that prices of all non-food items are not counted and then food prices are given a disproportionate weighting, *vis-a-vis*, climate and isolation to compensate for the non inclusion of non-food prices. (Exhibit 60.)

The applicants applied that method then, to its three indices for isolation, climate and food prices.

Its acknowledged difficulty was the use of only food prices for calculating "excess cost figures". The other area of criticism which is open is the use of the average weekly earnings figure as a base for its calculations.

Unlike the applicants and the private employer respondents, who chose for their quantity calculations the rates of wages prescribed for shop assistants, the Commission looks to the minimum wage prescribed by the Commission for adult males as a base figure for the purpose of its analysis.

That minimum wage fixed for a married man with two dependent children (53 W.A.I.G. p. 1081 at page 1084) is presently $132.50 (Orders Nos. 381 and 434 of 1979 dated 10th January, 1980) and is to be preferred to the choices of the parties in that the rates so chosen by them include considerations for matters which are not really relevant to the task in which we are involved.

The Commission then turns to the use which can be made of the material before it.

*Prices.*

The only available official statistics on prices are those for food in the form of Exhibit 48—Relative Retail Prices of Food in Certain Localities—Index Numbers—Western Australia—Australian Bureau of Statistics. The index figures are as at the 15th day of March for the years 1975, 1976, 1977, 1978 and 1979.

That document also contains a tabulation of the percentage excess over Perth as at 15th March each year 1972 to 1979 (both inclusive).

Figures are not available for all of the towns shown for each of those years. The figures show fluctuation from year to year and in some cases quite dramatic fluctuations.

The question arises as to what conclusion can be drawn so far as establishing a general pattern is concerned.

Faced with the same problem, in the same sort of inquiry the Government Statistician in Queensland in 1958, constructed an index in the following terms.

> Individual places show many variations from the general pattern and no general figure for districts could be calculated on such assumptions of regularity in the prices gradient. The problem of course is to determine an average level of food and grocery prices in relation to Brisbane Prices which would be applicable to the districts used for fixing basic wage parities.
>
> The procedure adopted which is in line with the usual practice of the Commonwealth Statistician in combining index numbers for different towns, was to combine the available index numbers for each district in an average weighted for each town by its population. This has been done in Appendix "A", the index numbers for the towns which are available for each district being combined into an average for the district and each town weighted by its population, as recorded at the 1954 Census. (43 Q.I.C. p. 1009 at p. 1011.)

Having done that for the five districts and ascertained a percentage excess over Brisbane for each of three years the statistician averaged those percentages to obtain a general excess figure.

Thus the Commission in its use of the figures in Exhibit 48 has averaged the index numbers for each town over the five year period to obtain its average excess percentage over Perth food prices.

That calculation provides a scale of comparative prices of food.

The W.A.I.T.-Aid studies provide some assistance for calculations aimed at demonstrating comparative prices of other sub-groups of the consumer price index but unfortunately the number of towns for which that latter material is available is limited (mining towns excluded) to Carnarvon, Derby, Geraldton, Kalgoorlie, Port Hedland and Roebourne.

Additionaly directly comparable figures do not exist between the various years in which the studies were conducted.

The 1978 survey is the only one in which the same components as exist in the Consumer Price Index sub-groups are available.

An examination of those latter figures indicates that there is no direct relationship between relative food prices and prices of other services and commodities.

However those figures do indicate with some degree of consistency that an amount of approximately $25 per week is necessary to equate the maximum excess of prices for all items, other than housing, with Perth prices for the same items and the Commission uses that general conclusion for the purpose of quantifying its allowances under the prices heading.

To convert that amount to express a value for each individual town the Commission takes the material available to it, namely the scale obtained from the relative food prices exhibit and which provides the only source of a comparative prices scale.

*Housing.*

The W.A.I.T.-Aid Ltd report (Exhibit 49) indicates that in the towns surveyed expenditure on this component is either equal to or less than in Perth (substantially so in the closed mining towns).

To that extent there is no case for an equalisation quantity to be prescribed. Exhibit 24 "State Housing Commission Rental Information" updated as at the 2nd day of October, 1979, confirms that on an average of the three types of housing, inferior, old and recent and for a house of three bedrooms, there is no excess of rent in country areas and the north west area, over the metropolitan area.

The respective figures for a three bedroom dwelling are:—

| | Inferior | Old | Recent |
|---|---|---|---|
| Metropolitan Area | 25.50 | 32.50 | 35.00 |
| Country Area | 25.50 | 32.50 | 35.00 |
| North West Area | | | |
| Gross | 22.50 | 20.50 | 35.00 |
| Nett | 22.00 | 26.00 | 29.50 |

The Nett Figure for the North West Area is aimed at encouraging people to the north and to assist in stabilising the population. (Exhibit 24)

Accordingly there is no apparent need to compensate for this factor.

*Isolation.*

The Commission has constructed from the "District Allowances Working Party Compendium" a scale of comparative isolation on a 0-100 points scale as an aid to considering this factor and it then becomes a matter of allocating a value to that scale.

In so doing the Commission is unable to accept the approach favoured by the applicant for it sees no absolute or continuing relationship between this constituent of the district allowance and the price structure. Indeed, the Commission is satisfied that the allocation of a value to this element and to the element of climate referred to below is one that is very much a matter of arbitrary determination. As the best assessment the Commission can make against the background of the material before it an amount of $10 per week as the maximum for this factor appears reasonable, thus giving a value of 10 cents per point on the scale.

*Climate.*

The Commission accepts the Climate Comfort Indices contained in Exhibit 26 and expressed on a 0-100 scale in column 2 of Exhibit 46 as the comparative indicator for this factor.

In the Commission's view, differing from the Court of Arbitration 1958 fixation and the 1966 Public Service Decision, the disadvantage of climate is not equal to the disadvantage of isolation, partly in the light of the Commission's general model being a family unit.

The vagaries of climate have a day to day alleviation in terms of air conditioning at home, work, travelling, school, play and other facilities. Isolation imposes by limited or expensive access to the facilities available in the metropolis a heavier burden, a bigger disadvantage.

On the basis discussed under the heading "Isolation" the Commission fixes a maximum rate of $5 per week for this factor, thus giving a value of 5 cents per point on the scale.



The details of the Commission's scale and its expression in terms of money are set out in the following table "C".

Table "C"

DISADVANTAGE ALLOWANCES.

| Locality | Scale: Prices | Scale: Isolation | Scale: Climate | Monetary per week $ | Equivalents per annum (X 52) $ |
|---|---|---|---|---|---|
| Broome | 58 | 71 | 73 | 25.25 | 1 313 |
| Carnarvon | 80 | 43 | 18 | 12.70 | 660 |
| Collie | 6 | 11 | 0 | 2.60 | 135 |
| Derby | 69 | 71 | 86 | 25.40 | 1 373 |
| Geraldton | 10 | 9 | 0 | 3.40 | 177 |
| Halls Creek | 88 | 91 | 61 | 34.15 | 1 776 |
| Kalgoorlie | 16 | 15 | 12 | 6.10 | 317 |
| Kununurra | 100 | 93 | 99 | 39.25 | 2 041 |
| Marble Bar | 100 | 70 | 73 | 35.65 | 1 854 |
| Meekatharra | 32 | 44 | 29 | 13.85 | 720 |
| Mt. Magnet | 41 | 48 | 33 | 16.70 | 868 |
| Narrogin | 6 | 12 | 0 | 2.70 | 140 |
| Norseman | 34 | 34 | 7 | 12.25 | 637 |
| Northam | 1 | 9 | 14 | 1.85 | 96 |
| Onslow | 65 | 62 | 62 | 25.55 | 1 329 |
| Port Hedland | 51 | 50 | 71 | 21.30 | 1 108 |
| Roebourne | 73 | 59 | 77 | 28.00 | 1 456 |
| Wittenoom | 88 | 71 | 53 | 31.75 | 1 651 |
| Wyndham | 92 | 100 | 100 | 38.00 | 1 976 |

Those calculations suggest that the existing allowances are not adequate and are in need of review.

Comparisons of what exists, what are sought by the parties and the results of the Commission's test of adequacy are set out in the following Table "D" and it seems to the Commission that its calculations provide an equitable basic level of allowances for the localities concerned.

As has already been mentioned such basic allowances may be increased or decreased to accommodate the particular circumstances of any locality or industry.

For localities for which there is no basic information upon which to calculate an allowance by the method used by the Commission, it is envisaged that the allowance calculated for neighbouring localities could be appropriate as base allowances which can be varied upwards or downwards according to comparative facts.

For example on the Commission's isolation scale Esperance approximates to Norseman. Prices may be different as may climatic factors and adjustments would be made accordingly.

The Commission considers that the disadvantages arising from the location of residences and places of work in towns within the South West Land Division are not of sufficient substance to warrant the prescription of any compensating allowances and the minutes of the proposed order to be issued in determination of the various applications will not include any reference to such towns.

Table "D"

Comparative Allowances—Married Males.

Per Week.

| Locality | Existing Allowance $ | Applicants' claim $ | Respondents' calculations $ | Commission's allowances $ |
|---|---|---|---|---|
| Broome | 14.00 | 32.00 | 18.67 | 25.25 |
| Carnarvon | 7.50 | 15.40 | 10.17 | 12.70 |
| Collie | Nil | Nil | Nil | 2.60 |
| Derby | 14.00 | 32.00 | 18.67 | 26.40 |
| Geraldton | Nil | Nil | Nil | 3.40 |
| Halls Creek | 14.00 | 43.40 | 18.67 | 34.15 |
| Kalgoorlie | Nil | 2.40 | Nil | 6.10 |
| Kununurra | 16.00 | 39.40 | 21.00 | 39.25 |
| Marble Bar | 14.00 | 40.00 | 18.67 | 35.65 |
| Meekatharra | 2.70 | 16.20 | 3.00 | 13.85 |
| Mt Magnet | 2.70 | 16.20 | 3.00 | 16.70 |
| Narrogin | Nil | Nil | Nil | 2.70 |
| Norseman | 1.30 | 9.60 | 1.67 | 12.25 |
| Northam | Nil | Nil | Nil | 1.85 |
| Onslow | 14.00 | 32.00 | 18.67 | 25.55 |
| Port Hedland | 14.00 | 34.80 | 18.67 | 21.30 |
| Roebourne | 14.00 | 32.00 | 18.67 | 28.00 |
| Wittenoom | 14.00 | 40.00 | 18.67 | 31.75 |
| Wyndham | 16.00 | 39.40 | 21.00 | 38.00 |

*The Single Employee.*

The allowances structured by the Commission to test the adequacy of existing allowances relate to the disadvantages to be encountered by a married male employee, his spouse and at least two dependent children due to prices in excess of those applicable in Perth, and conditions of isolation and climate.

The Commission has discounted the excess prices figures for those items of expenditure it considers would not be incurred in whole or in part by a single employee.

As the amount allowed for isolation envisages compensations for family disadvantages to be encountered with education and recreation leave as well as limited cultural, medical and general facilities this figure has also been heavily discounted for the single employee.

The climate factor pays less regard to disadvantages encountered by family responsibilities although air conditioning a residence may be regarded as an additional necessary expense not to be met by a single employee.

This factor has not been so heavily discounted. On the Commission's assessments for such discounting a single employee should receive in the vicinity of 60 per cent of the allowances proposed.

It is noted that such a distinction has not previously existed in private industry awards. The 1958 Court of Arbitration decision was a mixture of family and non-family factors and acknowledged that most persons to whom the allowances would be payable would be single persons or persons whose families did not accompany them to distant work places.

*Subsidised Board and/or Lodging.*

It seems unlikely in the generality and the Commission was not informed otherwise, that a family unit would be provided with free board and lodging by an employer in the localities under consideration. Experience suggests that such would usually only be the case for single employees.

On that basis the Commission considers that the discounting of the total allowances for that circumstance should be such as to produce a payment equivalent to 33⅓ per cent of the total allowances.

In the case of government employees, the applicants urge for a payment of 75 per cent and the employers according to the areas either 66⅔ per cent or 50 per cent of their agreed rates of allowances.

In view of the ceilings set by those submissions and loath as it is to apparently distinguish between classes of employees by reference to their employers, the Commission prescribes the government employers' figure of 66⅔ per cent for government employees and its own assessment for employees in

the private industry sector. In any event in the case of single employees, the results in general terms do not produce glaring anomalies, as between the two sectors of industry. This is due to the fact that the proposed government allowances are expressed as rates for single employees and those for private employees for a family unit.

*Further Adjustments.*

To enable the prices components of the proposed allowances to retain relativity with movements in prices generally those components will be adjusted by the annual percentage movement in the Consumer Price Index for Perth (excluding housing) calculated as at the 30th day of June, 1981 and thereafter, the results being taken to the nearest 10 cents and added to the prescribed allowance.

As the application of prices indices to the isolation and climate components artificially inflates such components with no regard for improvements to conditions of work and living the monetary equivalents for those factors shall only be reviewed when such changes can be clearly demonstrated to the parties mutual satisfaction or in the event of no such agreement upon application to the Commission. A general review may be appropriate at say three yearly intervals.

*Savings.*

As the departure from "Districts" and the introduction into private industry awards of the "married" and "unmarried" rate of allowances could result in a decrease for some employees, of the allowances presently payable, the minutes provide that any employee in receipt of an allowance higher than that now proposed, shall continue to recieve that higher allowance whilst he remains with his present employer.

Finally, although the Commission appreciates the willing and diligent efforts made by the working party to put together information and ideas on which the Commission could base its decision, the Commission lays some emphasis on the fact, which it expects will have become apparent as these reasons have proceeded, that it does not believe that a district allowance can be assessed on a generally applicable basis with any degree of accuracy or permanency. However, as the parties desired that allowances be fixed on that basis the Commission has endeavoured to accommodate them to the extent that the material before it allows. For the future, the Commission considers that parties to individual awards may be better advised to endeavour to assess, in the context of employment under the award in question, what provision should be made in the nature of district allowance.

The minutes of the proposed orders now issue and may be spoken to by the parties at a time and on a day convenient to the Commission and the parties.

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## BEFORE THE WESTERN AUSTRALIAN INDUSTRIAL COMMISSION.

Nos. 294 of 1977 and 319-321 (Incl of 1977 and 529 of 1979.

In the matter of the Industrial Arbitration Act, 1979, and in the matter of a General Order under section 50 of the said Act relating to District Allowances in Government Awards.

*General Order.*

HAVING heard Mr J. A. McGinty and Mr A. R. Beech on behalf of the applicants and intervening on behalf of the Trades and Labor Council of Western Australia; Mr B. P. McCarthy and later Mr G. R. Gillies on behalf of the respondents in applications No. 319 of 1977 and 529 of 1979; Mr K. D. Payne and Mr P. J. Kelly on behalf of the respondents in applications No. 294, 320 and 321 of 1977; Mr R. A. Date intervening on behalf of certain employers engaged in or operating in the mining industry and Mr J. K. Bryant intervening on behalf of Goldsworthy Mining Limited; the Commission in Court Session, in pursuance of the powers conferred on it under the Industrial Arbitration Act, 1979 hereby orders—

That each award mentioned in Column 1 of Schedule A of this Order be varied by substituting for the district allowance provisions contained in the clause shown against it in Column 2 of that Schedule the provisions contained in Schedule B of this Order.

Dated at Perth this 11th day of July, 1980.

By the Commission in Court Session,

[L.S.] (Sgd.) E. R. KELLY,
Commissioner.

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### Schedule A.

| Column 1<br>Name and No. of Award | Column 2 | Clause No. |
|---|---|---|
| Building Trades (Government) | 31A/66 | 28 |
| Cleaners and Caretakers (Government) | 32/75 | 21 |
| Construction and Maintenance (Government) (A.W.U.) | 24/65 | 47 |
| Construction and Maintenance (Government Harbours) (A.W.U.) | 24A/65 | 47 |
| Country High Schools Hostels | 7A/79 | 26 |
| Dredge Masters, Mates and Engineers—Government | 34/60 | 21 |
| Engine Drivers (Country Pumping Stations) | 43/65 | 10 |
| Engine Drivers (Government) | 29/68 | 21 |
| Engine Drivers (North West Ports—Harbour and Light) | 44/65 | 16 |
| Engineering (Government) (excluding work covered under Water Supply Award) | 29, 30, 31/61<br>3/62 | 21 |
| Engineering (Government—G.W.S.—Second Engineers) | 6/47 | 15 |
| Foremen (Government Construction and Maintenance) (A.W.U.) | 24F/65 | 23 |
| Government Engineering and Building Trades Foremen and Sub Foremen | 15/73 | 20 |
| Foremen (Government Water Supply) | 27/70 | 20 |
| Gardeners (Education Department) | 46/68 | 20 |
| Hospital Employees (Government) | 21/66 | 18 |
| Hospital Employees (Nursing Aides and Assistants) (Government) | 7/78 | 25 |
| Nurses (Infant and Pre-School Health) | 6/70 | 19 |
| Nurses (Public Health and Industrial) | 25/63 | 25 |
| Nurses (Public Hospitals) | 6/66 | 27 |
| Rangers (National Parks Board) | 6/65 | 28 |
| Sheet Metal Workers (Government) | 31/73 | 37 |
| * State Batteries | 42/77 | 36 |
| State Research Stations, Agricultural Schools and College Workers | 23/71 | 29 |
| Storemen (Government) | 20/69 | 23 |
| Survey Employees—(Government) (A.W.U.) | 24C/65 | 34 |
| Teachers Aides | 6/79 | 18 |
| Tool and Material Storemen (Education Department) | 24/74 | 11 |
| Transport Workers (Government) | 2A/52 | 29 |
| Vermin, Pest and Weed Control | 24E/65 | 29 |
| Water, Sewerage and Drainage Employees (Government) | 14/68 | 29 |
| Building Trades (State Energy Commission) Consolidated | 1/59 | 34 |
| Engine Drivers' Country Power Station (State Energy Commission) | 19/76 | 22 |
| Engine Drivers' (State Energy Commission) | 15/77 | 33 |
| Engineering Trades (State Energy Commission) Consolidated | 1/59 | 33 |
| Storemen (State Energy Commission) | 4/71 | 28 |
| Transport Workers' (State Energy Commission) | 40/65 | 33 |

*Formerly an industrial agreement



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### Schedule "B"

(1) Workers employed in the districts of the State described in subclause (2) of this clause shall be paid the allowance prescribed for that district.

(2) The boundaries of the districts shall be:

District:

1. The area within a line commencing on coast; thence east along latitude 28 to a point north of Tallering Peak; thence due south to Tallering Peak; thence southeast to Mt Gibson and Burracoppin; thence to a point southeast at the junction of latitude 32 and longitude 119; thence south along longitude 119 to coast.
2. That area within a line commencing on the south coast at longitude 119 then east along the coast to longitude 123; than north along longitude 123 to a point on latitude 30; thence west along latitude 30 to the boundary of No. 1 District.
3. The area within a line commencing on coast at latitude 26; thence along latitude 26 to longitude 123; thence south along longitude 123 to the boundary of No. 2 District.
4. The area within a line commencing on the coast at latitude 24; thence east to the South Australian border; thence south to the coast; thence along the coast to longitude 123; thence north to the intersection of latitude 26; thence west along latitude 26 to the coast.
5. That area of the State situated between the latitude 24 and a line running east from Carnot Bay to the Northern Territory border.
6. That area of the State north of a line running east from Carnot Bay to the Northern Territory border.

(3) The weekly allowance payable to workers employed in the districts of the State described in subclause (2) of this clause are as follows:

| District | Column "A" $ | Column "B" $ |
|---|---|---|
| 1. | Nil | Nil |
| 2. | 3.70 | 4.00 |
| 3. | 5.10 | 5.60 |
| 4. | 8.10 | 8.80 |
| 5. | 17.40 | 17.50 |
| 6. | 19.70 | 21.60 |

Provided that the allowances prescribed in Column "A" shall operate from the beginning of the first pay period commencing on or after 12th November, 1979. The allowances prescribed in Column "B" shall operate from the beginning of the first pay period commencing on or after 1st January, 1980.

(4) Workers employed in the towns shown hereunder in the districts referred to in subclause (2) of this clause shall be paid the following allowances in lieu of the rates prescribed in subclause (3) of this clause.

| District | Town | Column "A" $ | Column "B" $ |
|---|---|---|---|
| 1. | Nil | Nil | Nil |
| 2. | Kalgoorlie | 1.20 | 1.30 |
| | Ravensthorpe | 4.80 | 5.30 |
| | Norseman | 4.80 | 5.30 |
| | Salmon Gums | 4.80 | 5.30 |
| | Marvel Loch | 4.80 | 5.30 |
| | Esperance | 4.80 | 5.30 |
| 3. | Meekatharra | 8.10 | 8.80 |
| | Mount Magnet | 8.10 | 8.80 |
| | Wiluna | 8.10 | 8.80 |
| | Laverton | 8.10 | 8.80 |
| | Leonora | 8.10 | 8.80 |
| | Cue | 8.10 | 8.80 |
| 4. | Warburton Mission | 21.60 | 23.70 |
| | Carnarvon | 7.70 | 8.40 |
| 5. | Fitzroy Crossing | 21.60 | 23.70 |
| | Halls Creek | 21.60 | 23.70 |
| | Turner River Camp | 21.60 | 23.70 |

| District | Town | Column "A" $ | Column "B" $ |
|---|---|---|---|
| 5. | Nullagine | 21.60 | 23.70 |
| | Abydos Research Station | 20.00 | 21.90 |
| | Liveringa (Camballin) | 20.00 | 21.90 |
| | Marble Bar | 20.00 | 21.90 |
| | Wittenoom | 20.00 | 21.90 |
| | Port Hedland | 17.40 | 19.00 |
| 6. | Nil | Nil | Nil |

Provided that the allowances prescribed in Column "A" shall operate from the beginning of the first pay period commencing on or after 12th November, 1979. The allowances prescribed in Column "B" shall operate from the beginning of the first pay period commencing on or after 1st January, 1980.

(5) (a) A married male worker whose spouse is not employed by the government shall be paid double the weekly allowance expressed herein for the district or town in which he is employed.

(b) A worker other than a married male worker who supplies proof that he or she is the main support of relatives or dependants resident within the State shall be paid double the weekly allowance expressed herein for the district or town in which he or she is employed.

(c) Provided that until the beginning of the first pay period commencing on or after 1st July, 1980 the allowance referred to in this subclause shall be 150 per cent of the weekly allowance in lieu of the double allowance prescribed herein.

(d) In no circumstance shall the weekly allowances paid to a married couple by government employers exceed double the allowance prescribed herein nor be less than that amount.

(6) The rates of allowance prescribed herein shall be adjusted every 12 months in accordance with variations in the "Consumer Price Index" for Perth for the period ending December 31st each year. The

adjustment to the rates shall be effective from the beginning of the first pay period to commence on or after the 1st day of January in each year.

(7) Where a worker is on annual leave, he shall be paid for the period of such leave the district allowance to which he would ordinarily be entitled.

(8) Where a worker is on long service leave or other approved leave with pay (other than annual leave) he shall only be paid district allowance for the period of such leave he remains in the district in which he is employed.

(9) Liberty is reserved to the Union to make application to amend this clause with respect to towns which attract allowances different from that applying generally to that district.

(10) Nothing in this clause shall operate so as to reduce the district allowance being paid at the date of this order to any worker.

(11) Where a worker is provided with free board and lodging by the employer the allowances prescribed herein shall be reduced to two-thirds of the full allowance.

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## BEFORE THE WESTERN AUSTRALIAN INDUSTRIAL COMMISSION.

Nos. 294 of 1977 and 319-321 (inc.) of 1977 and 529 of 1979.

In the matter of the Industrial Arbitration Act, 1979, and in the matter of a General Order under section 50 of the said Act relating to Location Allowances in Awards in Private Industry.

*General Order.*

HAVING heard Mr J. A. McGinty and with him Mr A. R. Beech on behalf of the applicants and intervening on behalf of the Trades & Labor Council of Western Australia; Mr B. P. McCarthy and later Mr G. R. Gillies on behalf of the respondents to applications Nos. 319 of 1977 and 529 of 1979; Mr K. D. Payne and with him Mr P. J. Kelly on behalf of the respondents in applications No. 294, 320 and 321 of 1977; Mr R. A. Date intervening on behalf of certain employers engaged in or operating in the mining industry and Mr J. K. Bryant intervening on behalf of Goldsworthy Mining Limited, the Commission in Court Session, in pursuance of the powers conferred on it under the Industrial Arbitration Act, 1979 hereby orders—

1. That each award mentioned in Column 1 of Schedule A of this Order be varied—
   (a) by substituting for the District Allowance provisions contained in the clause shown against it in Column 2 of that Schedule, the Location Allowance provisions appearing in the Schedule annexed hereto bearing the name and number of that award; and
   (b) by substituting the expression "Location Allowance" for the expression "District Allowance" wherever it appeared, immediately prior to this order; and
2. That the said variations shall operate from and including 23rd June, 1980.

Dated at Perth this 15th day of July, 1980.

By the Commission in Court Session.

[L.S.] (Sgd.) E. R. KELLY,
Commissioner.

Schedule A.

| Column 1<br>Name and No. of Award | Column 2 | Clause No. |
|---|---|---|
| Aerated Water & Cordial Manufacturing Industry | 10/1975 | 31 |
| Air Conditioning & Refrigeration Industry (Construction & Servicing) | 10/1979 | 20 |
| Building Trades 1968 | 31/1968 | 25 |
| Building Trades (Construction) | 14/1978B | (7) |
| Child Care Centres (Private Industry—Assistants) | 30/1976 | 30 |
| Cleaners and Caretakers | 12/1969 | 22 |
| Cleaners and Caretakers (Car & Caravan Parks) | 5/1975 | 22 |
| Cleaning Contractors (General & Window) | 3/1968 | 25 |
| Clerks (Commercial, Social & Professional Services) | 14/1972 | 27 |
| Clerks (Hotels, Motels & Clubs) | 7/1977 | 22 |
| Clerks (Radio & T.V.) | 14C/1968 | 27 |
| Clerks (Taxi Services) | 14B/1968 | 28 |
| Clerks (Wholesale & Retail Establishments) | 38/1947 | 28 |
| Concrete Masonry Block Manufacturing | 28/1969 | 21 |
| Electrical Contracting Industry | 22/1978 | 22 |
| Engine Drivers (Building & Steel Construction) | 20/1973 | 25 |
| Engine Drivers (Earthmoving & Construction) | 10/1963 | 26 |
| Engine Drivers (General) | 21A/1977 | 29 |
| Engine Drivers (North West Abattoirs) | 4/1969 | 22 |
| Foremen (Building Trades) | 9/1962 | 7 |
| Frozen Food Employees | 25/1977 | 29 |
| Golf, Link & Bowling Green Workers | 16/1967 | 25 |
| Lift Industry Workers (Electrical & Metal Trades) | 9/1973 | 21 |
| Lobster & Prawn Processing | 24/1977 | 27 |
| Metal Trades (General) | 13/1965 | 23 |
| Motor Vehicle (Rust Prevention & Paint Protection) | 5/1978 | 14 |
| Motor Vehicle (Service Station & Sales Establishments) | 4/1976 | 23 |
| Pest Control Industry | 6/1976 | 23 |
| Quarry Workers | 13/1968 | 19 |
| Radio & Television Workers | 14/1974 | 24 |
| School Employees (Independent Day & Boarding Schools) | 7/1979 | 31 |
| Sheetmetal Workers | 10/1973 | 26 |
| Shop Assistants (Licenced Stores) | 23/1977 | 32 |
| Shop & Warehouse (Wholesale & Retail Establishments) | 32/1976 | 37 |
| Superphosphate Workers | 7/1975 | 23 |
| Transport Workers (General) | 10/1961 | 26 |

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Schedule.

### AERATED WATER & CORDIAL MANUFACTURING INDUSTRY.

Award No. 10 of 1975.

31.—Location Allowances.

(1) Subject to the provisions of this clause, in addition to the wages prescribed in Clause 10.—Wages of this award, a married employee shall be paid the following allowances when employed in the towns described hereunder.

| Town. | $ |
|---|---|
| Carnarvon | 12.70 |
| Kalgoorlie | 6.10 |



(2) A single employee shall be paid 50 per cent of the allowances prescribed in subclause (1) of this clause.

(3) An employee, whose spouse is employed by the same employer and who is entitled to an allowance of a similar kind to that prescribed by this clause shall be paid 50 per cent of the allowance prescribed in subclause (1) of this clause.

(4) Where an employee is provided with board and lodging by his employer, free of charge, such employee shall be paid 33 and one-third percentum of the allowance prescribed in subclause (1) of this clause.

(5) Junior workers, casual workers, part-time workers and employees employed for less than a full week shall receive that proportion of the location allowance as equates with the proportion that their wage for ordinary hours that week is to the adult rate for the work performed.

(6) Where an employee is on annual leave or receives payment in lieu of annual leave he shall be paid for the period of such leave the district allowance to which he would ordinarily be entitled.

(7) Where an employee is on long service leave or other approved leave with pay (other than annual leave) he shall only be paid district allowance for the period of such leave he remains in the district in which he is employed.

(8) For the purpose of this clause a married employee includes:

(a) A person who has a *de facto* spouse, and
(b) A person who is a sole parent with dependant children.

(9) Where an employee is employed in a town or location not specified in this clause the allowance payable for the purpose of subclause (1) shall be such amount as may be agreed between Australian Mines and Metals Association, the Confederation of Western Australian Industry and the Trades and Labor Council of Western Australia or, failing such agreement, as may be determined by the Commission: Provided that, pending any such agreement or determination, the allowance payable for that purpose shall be an amount equivalent to the district allowance in force under this award for that town or location on 1st June, 1980.

(10) Nothing herein contained shall have the effect of reducing any "district allowance" currently payable to any employee subject to the provision of this award whilst that employee remains employed by his present employer.

(11) Subject to the making of a General Order pursuant to S.50 of the Act, that part of such location allowance representing prices shall be varied from the beginning of the first pay period commencing on or after the 1st day in July of each year in accordance with the annual percentage change in the Consumer Price Index (excluding housing) for Perth measured to the end of the immediately preceding March quarter, the calculation to be taken to the nearest 10 cents and the first such adjustment to be made for the year ending 31st March, 1981.

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Schedule.

### AIR CONDITIONING & REFRIGERATION INDUSTRY (CONSTRUCTION & SERVICING).

Award No. 10 of 1979.

20.—Location Allowances.

(1) Subject to the provisions of this clause, in addition to the wages prescribed in Clause 21.—Wages of this award, a married employee shall be paid the following allowances when employed in the towns described hereunder.

| Town. | $ |
|---|---|
| Agnew | 16.50 |
| Balladonia | 14.00 |
| Boulder | 6.10 |
| Broome | 25.25 |
| Bullfinch | 8.05 |
| Carnarvon | 12.70 |
| Cockatoo Island | 27.20 |
| Coolgardie | 6.10 |
| Cue | 16.20 |
| Dampier | 21.60 |
| Denham | 12.70 |
| Derby | 26.40 |
| Esperance | 5.05 |
| Eucla | 17.90 |
| Exmouth | 21.50 |
| Fitzroy Crossing | 31.20 |
| Goldsworthy | 17.25 |
| Halls Creek | 34.15 |
| Kalbarri | 4.70 |
| Kalgoorlie | 6.10 |
| Kambalda | 6.10 |
| Karratha | 24.60 |
| Koolan Island | 27.20 |
| Koolyanobbing | 8.05 |
| Kununurra | 39.25 |
| Laverton | 16.00 |
| Learmonth | 21.50 |
| Leinster | 16.50 |
| Leonora | 16.00 |
| Madura | 15.00 |
| Marble Bar | 35.05 |
| Meekatharra | 19.85 |
| Mount Magnet | 16.70 |
| Mundrabilla | 17.60 |
| Newman | 15.50 |
| Norseman | 12.25 |
| Nullagine | 35.40 |
| Onslow | 25.55 |
| Pannawonica | 20.50 |
| Paraburdoo | 20.15 |
| Port Hedland | 21.30 |
| Ravensthorpe | 9.00 |
| Roebourne | 28.00 |
| Sandstone | 16.50 |
| Shark Bay | 12.70 |
| Shay Gap | 17.25 |
| Southern Cross | 8.05 |
| Teutonic Bore | 16.50 |
| Tom Price | 20.15 |
| Whim Creek | 24.60 |
| Wickham | 24.50 |
| Wiluna | 17.00 |
| Wittenoom | 31.75 |
| Wyndham | 38.00 |

(2) A single employee shall be paid 50 per cent of the allowances prescribed in subclause (1) of this clause.

(3) An employee, whose spouse is employed by the same employer and who is entitled to an allowance of a similar kind to that prescribed by this clause shall be paid 50 per cent of the allowance prescribed in subclause (1) of this clause.